IQ-group

IQ GROUP HOLDINGS BERHAD

(200301034523) (636944-U)

annual report **2026**

IQ-group

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
Chen, Wen-Chin
also known as Kent Chen

Managing Director / Chief Executive Officer
Daniel John Beasley

Executive Director
Chen, Yi-Chung

Senior Independent Non-Executive Director
Tan Boon Hoe

Independent Non-Executive Director
Teresa Tan Siew Kuan

Independent Non-Executive Director
Koay Huck Khim

AUDIT COMMITTEE

Chairman
Tan Boon Hoe

Members
Teresa Tan Siew Kuan
Koay Huck Khim

REMUNERATION COMMITTEE

Chairman
Koay Huck Khim

Members
Tan Boon Hoe
Teresa Tan Siew Kuan

NOMINATION COMMITTEE

Chairman
Teresa Tan Siew Kuan

Members
Tan Boon Hoe
Koay Huck Khim

COMPANY SECRETARIES

Tan Kok Siong (LS 0009932)
(SSM PC No. 202008001592)
Chiang Sue Mai (MAICSA 7031742)
(SSM PC No. 202008000463)

REGISTERED OFFICE

Suite A, Level 9
Wawasan Open University
54 Jalan Sultan Ahmad Shah
10050 Georgetown, Penang.
Telephone : 604-229 6318
Facsimile : 604-228 2118
Email : tricor.penang@vistra.com

HEAD/MANAGEMENT OFFICE

Plot 149, Jalan Sultan Azlan Shah
Taman Perindustrian Bayan Lepas
Fasa 1 (FTZ), Bayan Lepas
11900 Penang
Telephone : 604-644 6677
Facsimile : 604-644 9677
Email : headoffice@iq-group.com
Website : www.iq-group.com

PRINCIPAL BANKERS

HSBC Bank Malaysia Berhad
1, Downing Street
10300 Penang
Telephone : 604-262 9441

Public Bank Berhad
5,7,9 & 11, Lorong Kampung Jawa
Bandar Bayan Baru
11900 Bayan Lepas, Penang
Telephone : 604-643 8200

EXTERNAL AUDITOR

Deloitte Malaysia PLT (formerly known as Deloitte PLT) *(LLP0010145-LCA & AF 0080)*
Level 12A, Hunza Tower
163E Jalan Kelawei
10250 Penang
Telephone : 604-294 5500

INTERNAL AUDITOR

KPMG Management & Risk Consulting Sdn. Bhd.
Level 18, Hunza Tower
163E, Jalan Kelawei
10250 Penang
Telephone : 604-238 2288

SHARE REGISTRAR

Tricor Investor & Issuing House Services Sdn. Bhd.
Unit 32-01, Level 32
Tower A, Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Telephone : 603-2783 9299
Facsimile : 603-2783 9222
Email : is.enquiry@vistra.com

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad
(Listed on 10 October 2005)
Stock Name : IQGROUP
Stock Code : 5107
Sector : Consumer Products & Services

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP'S BUSINESS & OPERATIONS

IQ Group Holdings Berhad ("IQ-group" or "the Group") is an established global leader in the design and manufacture of sensor related products. Working with some of the world's major retail and professional brands, we provide the technologies that ***detect***, ***illuminate*** & ***announce*** your arrival.

Throughout our 37 years history, we have built up an enviable reputation for design, innovation and quality within our core technologies, encompassing motion sensors and sensor lighting where the application of intelligence and connectivity are increasingly the norm.

We employ approximately 520 people globally. We boast manufacturing operations in Malaysia and China, plus offices in Taiwan, Japan and the United Kingdom.

The Group's corporate structure is as follow:-

IQ-group

IQ Group Holdings Berhad (IQGHB)

Investment holdings & provider of management services to subsidiaries

IQ GROUP SDN. BHD. (IQM) — 100%

Design, Sales, Marketing & Distribution of Motion Sensors, Sensor Lighting and related products

IQ GROUP (DONGGUAN) LTD. (IQD) — 100%

- Design and sales of mould
- Providing Corporate management services to IQW
- Providing research and development services and technology transfer to IQW

IQ JAPAN CO., LTD. (IQJ) — 100%

Sales, Marketing & Distribution of Motion Sensors, Sensor Lighting and related products.

SILQ (MALAYSIA) SDN. BHD. — 100%

Dormant

IQ GROUP (WUNING) LTD. (IQW) — 100%

Manufacture and sales of sensor products, sensor lighting, door entry related products, home security products, lighting fixtures, related wireless products and electrical appliances

IQ-group's portfolio of products includes:

- Stand-alone PIR Sensors
- Sensor Controlled Security Lighting
- Sensor Controlled Industrial Lighting
- General Lighting (Uncontrolled)
- Wireless Door Entry Products

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

The breakdown of the Group's revenue by product category for the financial year ended 31 March 2026 is as follow:

Product Category	% of Total Gross Sales
Sensor Lighting	37
Standalone Motion Sensor	59
Wireless Door Entry products	4

The principal markets for the Group's products for the year ended 31 March 2026 are as follow: -

Country	% of Total Gross Sales
Continental Europe	62
United Kingdom	8
Japan	19
United States of America	9
Rest of the World	2

FINANCIAL OVERVIEW

Highlights of the Group's Financial Information for the past five (5) years

Financial Year Ended 31 March	2022 RM	2023 RM	2024 RM	2025 RM	2026 RM
Financial					
Revenue	127,480,488	132,755,497	125,733,972	110,346,126	103,848,247
Profit / (loss) before tax	(8,173,613)	8,908,663	8,089,118	1,881,531	(7,409,698)
Net profit/ (loss) after tax	(10,192,782)	7,146,045	6,422,055	490,286	(8,553,388)
Profit/ (loss) attributable to Owners of the Company	(10,192,782)	7,146,045	6,422,055	490,286	(8,553,388)
Shareholders' equity	120,280,158	124,319,747	131,210,280	128,609,485	118,001,682
Total assets	148,665,634	150,849,832	156,404,387	151,727,741	137,758,014
Return on Equity	-8.5%	5.7%	4.9%	0.4%	-7.2%
Basic Earnings / (Loss) per share (sen)	(11.58)	8.12	7.30	0.56	(9.72)
Net assets per share	1.37	1.41	1.49	1.46	1.34
Dividend per share	-	-	-	-	-

Income Statement

For the financial year ended 31 March 2026, the Group recorded a revenue of RM103.85 million, a decrease of 5.9% over the revenue of RM110.35 million in the preceding year.

The Group registered a loss attributable to the Owners of the Company of RM8.55 million for FY25/26 as compared to profit of RM0.49 million in FY24/25. This decrease in profit is mainly due to the following: -

a) Decrease in revenue as a result of the economic slowdown and challenging market conditions in the industry.
b) Higher foreign exchange loss of RM2.50 million in FY25/26 as compared to FY24/25.
c) Higher provision for stock obsolescence and inventories written off of RM1.65 million in FY25/26 as compared to FY24/25.

With research and development being a key pillar to the success of IQ-group's business, we continue to invest heavily in this area with an estimated investment of RM7.03 million or equivalent to 7 % of our Revenue.

As the Group operates its business internationally with exposure to foreign currency exchange risk, there is no assurance that significant changes in the exchange rate will not have material impact on future financial performance of the Group. To mitigate against the foreign currency exchange risk, the Group places a proportion of its export proceeds in foreign currency bank accounts to facilitate payments in the corresponding foreign currency. The Group will enter into foreign currency forward contracts to hedge against some foreign currency exposure when necessary.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

Statement of Financial Position

The Group always strives to maintain a prudent financial structure in ensuring adequate capital is made available to meet its short and mid-term business plan.

The Group continues to maintain a healthy statement of financial position. As at 31 March 2026, the net assets of the Group stood at RM118 million with a net cash and bank balance of RM56.27 million or RM0.64 per share.

The Group's capital expenditure for the financial year ended 31 March 2026 was RM1.55 million as disclosed in note 13 (page 124) of the financial statements in this Annual Report. The investment was fully financed by internally generated funds.

OBJECTIVE AND STRATEGIES

In the midst of challenging market conditions, IQ-group has set the objective of pursuing a higher-volume & lower-mix business model. The strategy to achieve this includes a significant focus on the USA/North American retail market, with a further objective for this to derive a global product offering – with resulting growth and scale economy.

In the professional/ODM channels, we are expanding the breadth and depth of relations with key customers. This approach is achieving the closest of mutually beneficial relationships and is paving the way for growth via additional strategic cooperation.

In support of these objectives and strategic endeavors, we are focused upon the identification & progression of market leading solutions – with levels of innovation to secure IP and to ensure end user appeal.

CORPORATE DEVELOPMENT AND OPERATING REVIEW

We continue to review our corporate structure and organisational definition to ensure that IQ-group is best defined to serve the interests of the business and all stakeholders.

Until relatively recently, maintaining IQ-group's manufacturing capabilities in both China and Malaysia served as a position of flexibility, whilst our target customers in the USA sought to navigate a path through the changing tariff scenarios. With the tariff induced turbulence largely settled, it became evident that we could enhance our longer-term operational & cost efficiency via consolidating production to China and via our sub-contract manufacturers in Cambodia, Vietnam and Malaysia – and hence this exercise concluded in May 2026. IQ Malaysia is however maintaining a team which is closely overseeing & managing the sub-contract manufacturers/EMS partners to ensure consistent product quality, reliability & system compliance.

As touched upon above, business simplification remains central to our plans, with global consolidation targeted across retail markets, with an emphasis on North America delivering the prospect of high-volume business – as well as a drive to achieve higher volume from the key ODM relationships. These all support the ambition of achieving high volume – low mix business, where the scale economies permit the optimisation of fixed costs and the potential to ramp up profitability.

FORWARD-LOOKING STATEMENT

As the recent Commentary on Prospects point out - market conditions in IQ-group's established field of activity remain challenging. Following an extended period of stagnation, the anticipated German recovery has been derailed by fresh geopolitical shocks and spiking energy prices influenced by the middle east conflict and other factors. With 62% of IQ-group's sales being derived from Europe and where the majority of these are generated from the German market, such conditions create a challenging environment.

With Germany and other key markets experiencing similar headwinds, IQ-group's performance throughout FY25/26 has undoubtedly been impacted, as evidenced by the year-end results. IQ-group has however previously taken action to address this reality, such that potential forward looking prospects are encouraging.

As previously highlighted, IQ-group's initiatives in the US retail market are starting to yield encouraging progress within the sizeable Do-It-Yourself channels, an area we are pursuing with some considerable focus.

Having set the North American market as a prioritised target, IQ-group remains focussed on deriving related success by bringing innovative solutions to this market, which in turn drives interest and facilitates the establishment of new customer relationships for ongoing development - an approach which seems to be working well. We therefore remain committed to investing in market leading solutions such that we can continue to build upon this strategy for growth.

In addition and of equal importance to the actions in the USA - we are collaborating with key customers in other markets, developing solutions to attract both installer & end user attention where we pursue growth both now and as market conditions ultimately improve. With this focus we are successfully developing exciting product ranges & relationships, with resulting momentum in other territories such as the UK and Japan.

MANAGEMENT DISCUSSION AND ANALYSIS (Cont'd)

FORWARD-LOOKING STATEMENT (Cont'd)

Whilst existing market realities have impacted IQ-group's performance in FY25/26 – IQ-group has continued to use this period to progress plans, to redefine priorities and to engage with target customers and channels in Europe/Japan & particularly in North America. This period therefore has been and continues to be a time of strategic change, bridging from challenge to opportunity - with building ambition and delivering a sense of expectation as regards the future.

DIVIDENDS

The Group did not declare any dividend for the financial year ended 31 March 2026 and 31 March 2025.

No final dividend has been recommended for consideration at the forthcoming Annual General Meeting.

The Company does not have a dividend policy. The dividend payment will depend on a number of factors, including amongst others, the earnings, capital commitment, general financial condition, distributable reserves and other factors to be considered by the Board.

APPRECIATION

The Board of Directors wishes to thank each and every member of IQ-group team for their hard work and dedication during the past year.

We would also like to express our sincere appreciation to our shareholders, customers, business associates and suppliers for their valuable support.

DIRECTORS' PROFILE

CHEN, WEN-CHIN ALSO KNOWN AS KENT CHEN
Executive Chairman

Chen, Wen-Chin also known as Kent Chen, aged 73, Taiwanese, male, is the Executive Chairman of IQ Group Holdings Berhad (IQGHB) and was appointed to the Board of Directors of IQGHB on 12 April 2005. He graduated with a degree in Business Administration from Soo-Chow University in Taiwan. He is the founder of IQ Group Sdn. Bhd (IQM) and is presently the Chairman of IQM. Prior to founding IQM, he was the Director/General Manager of Sun Radar Co. Ltd and Peyco Electronics (Taiwan) Ltd. which are also involved in the design and manufacture of PIR motion sensor devices. He is now regarded as one of the pioneers in the PIR motion and sensor devices business in Malaysia. He has more than 30 years of experience in the PIR motion sensors business, thus making him the driving force behind the Group's product design and development activities.

DANIEL JOHN BEASLEY
Managing Director / Chief Executive Officer

Daniel John Beasley, aged 56, British, male, is the Managing Director/ Chief Executive Officer of IQ Group Holdings Berhad (IQGHB) and was appointed to the Board of Directors of IQGHB on 12 April 2005. Prior to his promotion to the Managing Director on 1 December 2006, he was the Executive Director of IQGHB. He joined IQ Group Sdn. Bhd. (IQM) in 1996 as Industrial Design Manager. During the period with the company, he has held a number of positions including Group R&D Manager, Director of Product Management and Group Business Development Director. He was appointed as a Director of IQM in April 2004 until taking up his current role. He graduated in 1991 from the University of Central England with a Bachelor of Arts (Honours) Degree in Industrial Design/Engineering. Prior to joining IQM, he worked as an Industrial Design Consultant for various companies including Friedland Limited, UK. He is now responsible for the IQGHB Group's overall operations, business development and strategic planning.

CHEN, YI-CHUNG
Executive Director

Chen, Yi-Chung, aged 47, Taiwanese, male, is the Executive Director of IQ Group Holdings Berhad (IQGHB) and was appointed to the Board of Directors of IQGHB on 1 March 2023. He holds a master's degree in Computer Science from National Tsing-Hua University in Taiwan. He started his career in ZyXEL Communication Corp. in Taiwan from 2003 to 2015 before joining IQ Group Sdn. Bhd. Representative Office in Taiwan in 2015 as an Application Software Manager. He has more than 16 years experiences in embedded system programming, software & hardware integration, product feature development, and project/team management experiences in network security, mobile wireless, and IoT industry. Currently, he holds the position of Director-Connectivity and responsible for evaluating, designing and implementing our connectivity strategies and solutions for all customers and products.

TAN BOON HOE
Senior Independent Non-Executive Director

Tan Boon Hoe, aged 70, Malaysian, male, is the Senior Independent Non-Executive Director of IQ Group Holdings Berhad (IQGHB) and was appointed to the Board of Directors of IQGHB on 2 Nov 2020. He is the Chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee. He holds a professional degree from the Malaysian Institute of Certified Public Accountants. He is a member of the Malaysian Institute of Accountants and Malaysian Institute of Certified Public Accountants. He was a former partner of Deloitte Malaysia and has more than 35 years of experience in assurance and advisory engagement. He holds directorship in Uchi Technologies Berhad, MI Technovation Berhad and a private limited company.

DIRECTORS' PROFILE (Cont'd)

TERESA TAN SIEW KUAN
Independent Non-Executive Director

Teresa Tan Siew Kuan, aged 57, Malaysian, female, is the Independent Non-Executive Director of IQ Group Holdings Berhad (IQGHB) and was appointed to the Board of Directors of IQGHB on 1 March 2023. She is the Chairman of Nomination Committee and a member of Audit Committee and Remuneration Committee. She obtained her Bachelor of Economics degree from the University of Adelaide, Australia in 1992 and is a member of the Malaysian Institute of Accountants and the fellow of Australian Society of Certified Practising Accountants. She started her career in 1992 as Audit Assistant in Kassim Chan (now known as Deloitte Malaysia PLT). Over the span of more than 30 years, she had served in various roles and departments in audit & accounting firms, merchant/investment banks, a University College, a fund management company and a manufacturing company. Currently, she is a free-lance adviser providing business, management and finance related consultancy. She currently sits on the Board of Directors of BWYS Group Berhad and WTEC Group Berhad.

KOAY HUCK KHIM
Independent Non-Executive Director

Koay Huck Khim, aged 63, Malaysian, male, is the Independent Non-Executive Director of IQ Group Holdings Berhad (IQGHB) and was appointed to the Board of Directors of IQGHB on 2 Sept 2024. He is the Chairman of Remuneration Committee and a member of Audit Committee and Nomination Committee. He obtained his degree in Mechanical Engineering from University of Malaya in 1988. He started his career as an Engineer in Hewlett-Packard (M) Sdn. Bhd. (now known as Agilent Technologies (M) Sdn. Bhd.) in 1988 before transitioning to various companies from 1999 onwards. He retired in 2020 after accumulating over 32 years of working experience in the semiconductor automated equipment, process development, and LED product development sectors. Throughout his career, he held multiple leadership roles, including Director of R&D, Manufacturing, QA, HR as well as General Manager and CEO.

Further Information

(i) Family Relationship
Mr. Chen, Yi-Chung is the son of Mr. Chen,Wen-Chin also known as Kent Chen. Saved as above, none of the Directors have any family relationship with any director and/or major shareholder of IQ Group Holdings Berhad.

(ii) Conflict of Interest
None of the Directors have any conflict of interest with IQ Group Holdings Berhad and its subsidiaries.

(iii) Convictions for Offences
None of the Directors have had any convictions for Offences within the past 5 years other than traffic offences.

(iv) Details of Attendance at Board Meetings
There were five (5) Board of Directors' Meetings held during the financial year ended 31 March 2026. Details of attendance of the Directors are as follows:-

	Number of Board Meetings	
Directors	**Attended**	**Held**
Chen, Wen-Chin also known as Kent Chen	5	5
Daniel John Beasley	5	5
Chen, Yi-Chung	5	5
Tan Boon Hoe	5	5
Teresa Tan Siew Kuan	5	5
Koay Huck Khim	5	5

(v) The Board currently comprises six (6) Directors, including a woman director, of which three (3) are Independent Non-Executive Directors.

KEY SENIOR MANAGEMENT'S PROFILE

LOO WENG KEONG

Group Director
Nationality: Malaysian, Gender: Male, Age: 59

Date of appointment to present position	:	21 June 2023
Working experience	:	1991 – 1994 – Senior Process Engineer, Penang Seagate Industries (M) Sdn. Bhd. 1995 – 1996 – Senior Engineer, Hewlett-Packard (M) Sdn. Bhd. 1996 – 1996 – Plant Manager, Local SMI - Manufacturing 1996 – 1998 – Manufacturing Manager, IQ Group Sdn. Bhd. 1998 – 2002 – Operations Manager, IQ Group Sdn. Bhd. 2002 – 2004 – General Manager, IQ Group Sdn. Bhd. 2004 – 2005 – Operations Director, IQ Group Sdn. Bhd. 2005 – 2016 – Group General Manager, IQ Group Holdings Berhad. 2016 – 2023 – Group Director Business Finance, HR & MIS, IQ Group Holdings Berhad. 2023 – Present – Group Director, IQ Group Holdings Berhad.
Qualification	:	1990 – Diploma in Technology (Materials Engineering), Tunku Abdul Rahman College 1991 – Master of Science (MSc) in Manufacturing Engineering, Queen's University of Belfast

CHEN, KUN LI

Group R&D Director
Nationality: Taiwan R.O.C., Gender: Male, Age: 60

Date of appointment to present position	:	1 January 2015
Working experience	:	1990 – 1993 – Electronic Engineer, Interquartz Taiwan Limited 1993 – 1997 – Assistant Electronic Section Head, Interquartz Taiwan Limited 1998 – 2000 – Assistant Electronic Section Head, IQ Group Sdn. Bhd. (Taiwan Representative Office) 2000 – 2008 – Assistant Electronic Manager, IQ Group Sdn. Bhd. (Taiwan Representative Office) 2008 – 2012 – R&D Manager, IQ Group Sdn. Bhd. (Taiwan Representative Office) 2012 – 2014 – Group R&D Director, IQ Group Sdn. Bhd. (Taiwan Representative Office) 2015 – Present – Group R&D Director, IQ Group Holdings Berhad.
Qualification	:	1986 – Associate Degree of Electronic Engineering, Lunghwa University of Science and Technology (Taiwan).

CHEE TING TING

Group Financial Controller
Nationality: Malaysian, Gender: Female, Age: 56

Date of appointment to present position	:	1 August 2005
Working experience	:	1993 – 1994 – Auditor, Arthur Anderson & Co. 1995 – 1996 – Accountant, Bensonlaunch Sdn. Bhd. 1996 – 2003 – Finance Manager, IQ Group Sdn. Bhd. 2003 – 2005 – Group Finance Manager, IQ Group Holdings Berhad. 2005 – Present – Group Financial Controller, IQ Group Holdings Berhad.
Qualification	:	1992 – Bachelor of Commerce (Accounting), The Flinders University of South Australia. 1999 – Certified Practising Accountant, CPA Australia. 2001 – Chartered Accountant, Malaysian Institute of Accountants. 2025 – Fellow Certified Practising Accountant, FCPA Australia.

KEY SENIOR MANAGEMENT'S PROFILE (Cont'd)

ALBERT LIM ENG KEAT

Group Factory Operations Director
Nationality: Malaysian, Gender: Male, Age: 56

Date of appointment to present position : 8 June 2016

Working experience :
1990 – 1992 – QC Engineer, Sanyo Electric Penang
1992 – 1993 – Process Engineer, Philip Audio Sdn Bhd
1993 – 1995 – PQA Engineer, FMS Audio Sdn Bhd
1995 – 1999 – Sr. QA Engineer. Jabil Circuit Sdn Bhd
1999 – 2000 – Workcell Manager, Jabil Circuit Sdn Bhd
2000 – 2001 – QA Manager, LKT Automation Sdn Bhd
2001 – 2002 – Production Manager, Siemens VDO Components Sdn Bhd
2002 – 2003 – Manufacturing Manager, Siemens VDO Components Sdn Bhd
2003 – 2006 – Sr. Plant Manager, Siemens VDO Components Sdn Bhd
2006 – 2007 – Manufacturing Director, PLEXUS Mfg Sdn Bhd
2007 – 2009 – Operation Business Applications Director, PLEXUS Manufacturing Sdn Bhd
2009 – 2012 – General Manager, Amphenol MY Sdn Bhd
2012 – 2013 – Principal Consultant, BOS Management Consultancy – Sole Proprietorship
2013 – 2014 – Global Quality Director, FCI Connectors MY Sdn Bhd
2015 – 2016 – Principal Consultant, BOS Management Consultancy – Sole Proprietorship
2016 – Present – Group Factory Operations Director, IQ Group Sdn. Bhd.

Qualification :
1990 – Diploma in Electronics Engineering, Federal Institute of Technology
2000 – Master in Business Administration, Honolulu University

CARSTEN STEPHAN EBERHARD SEDEMUND

Group New Product Introduction Director
Nationality: German, Gender: Male, Age: 64

Date of appointment to present position : 17 September 2015

Working experience :
1987 – 2015 – Various positions in the Peter Kremser Group organisation for 28 years, Germany, like as Head of the sales back office, Head of Product Management and R&D, Head of Strategic Purchasing and within this whole period 16 years as a company officer with special statutory authority (Prokurist)
2015 – Present – Group New Product Introduction Director, IQ Group Sdn. Bhd.

Qualification :
1983 – Apprenticeship Diploma in Electronic Technician for Energy and Buildings Services
1986 – Diploma in Warehouse Management
1992 – Diploma in Business Administration

CHOONG BEE GNOH

Customer/Business Development Director
Nationality: Malaysian, Gender: Female, Age: 66

Date of appointment to present position : 22 November 2011

Working experience :
1984 – 1986 – Secretary to the Managing Director, Texchem Malaysia Sdn. Bhd.
1986 – 1988 – Secretary, Petro-Pipe Sdn Bhd
1990 – 1992 – R&D Secretary, IQ Group Sdn. Bhd.
1992 – 1995 – Customer Service Officer, IQ Group Sdn. Bhd.
1995 – 2005 – Customer Service Manager, IQ Group Sdn. Bhd.
2005 – 2011 – Business Development Director, IQ Group Sdn. Bhd.
2011 – Present – Customer / Business Development Director, IQ Group Sdn. Bhd.

Qualification :
1982 – Private Secretary Certificate
1985 – Advanced Diploma in Business Administration (ABE)

KEY SENIOR MANAGEMENT'S PROFILE (Cont'd)

WONG KWOK HON (TONY)

Managing Director of IQ Group (Dongguan) Ltd. and IQ Group (Wuning) Ltd.
Nationality: Chinese, Gender: Male, Age: 61

Date of appointment to present position	:	15 September 2006 – IQ Group (Dongguan) Ltd. 30 January 2019 – IQ Group (Wuning) Ltd.
Working experience	:	1985 – 1987 – QC Technician, Dragoco (Far East) Ltd. 1987 – 1988 – Project Engineer, Truly Electronics Manufacturing Ltd. 1990 – 1994 – R&D Supervisor, Karrie Industrial Holding Co. Ltd. 1994 – 1997 – Project Manager, Product Group Manager, VTech Computer Ltd. 1997 – 1998 – Factory Manager, Hung Sam Industrial Manufactory Company Limited. 1998 – 2002 – Development Manager, Assistant General Manager, Saitek Ltd. 2002 – 2005 – General Manager, Panint Enterprise Ltd. 2005 – 2006 – General Manager, Bonso Electronic Ltd. 2006 – Present – Managing Director, IQ Group (Dongguan) Ltd. 2019 – Present – Managing Director, IQ Group (Wuning) Ltd.
Qualification	:	1985 – Diploma in Mechanical Engineering (Production), Kwai Chung Technical Institute. 1988 – Higher certificate in Production and Industrial Engineering, Hong Kong Polytechnics. 1990 – Bachelor in Mechanical Engineering, University of Glasgow.

HISAYUKI TOMINAGA

Managing Director of IQ Japan Co., Ltd.
Nationality: Japanese, Gender: Male, Age: 64

Date of appointment to present position	:	16 June 2005
Working experience	:	1986 – 1990 – Sales, Domestic market, Optex Co., Ltd. 1991 – 1995 – Sales Assistant Manager, Overseas market, Optex Co., Ltd. 1996 – 1997 – Sales Manager, Overseas market, Optex Co., Ltd. 1998 – 1999 – Deputy Sales Director, Overseas market, Optex Co., Ltd. 2000 – 2003 – Sales Manager, Maxxam Co., Ltd. 2004 – 2005 – Sales Manager, IQ Japan Co., Ltd. 2005 – Present – Managing Director, IQ Japan Co., Ltd.
Qualification	:	1986 – Bachelor of Sociology, Ritsumeikan University, Kyoto Japan

None of the Senior Management staff above have:

- Directorship in public listed companies
- Directorship in public companies
- Family relationship with any director and/ or major shareholder of the Company
- Conflict of interests with the Company
- Other than traffic offences, any convictions for offences within the past 5 years and other particulars of any public sanction or penalty imposed by the relevant regulatory bodies during the financial year

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third Annual General Meeting of the Company will be held at the R & D Detection Test Floor, IQ Group Holdings Berhad, 149, Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas Fasa 1 (FTZ), 11900 Bayan Lepas, Penang on Thursday, 27 August 2026 at 2.30 p.m.

AGENDA

1. To receive the Audited Financial Statements of the Company for the financial year ended 31 March 2026 together with the Reports of the Directors and Auditors thereon. **Please refer to Note 2**

As Ordinary Business

2. To re-elect Mr Daniel John Beasley who retires in accordance with Clause 76(3) of the Constitution of the Company, and who, being eligible, has offered himself for re-election. **Ordinary Resolution 1**
3. To re-elect Mr Chen, Yi-Chung who retires in accordance with Clause 76(3) of the Constitution of the Company, and who, being eligible, has offered himself for re-election. **Ordinary Resolution 2**
4. To approve the payment of Directors' fees of up to an amount of RM500,000.00 for the financial year ending 31 March 2027. **Ordinary Resolution 3**
5. To approve the payment of Directors' benefits in accordance with Section 230(1) of the Companies Act 2016 of up to an amount of RM380,000.00 from 27 August 2026 until the next Annual General Meeting ("AGM") of the Company. **Ordinary Resolution 4**
6. To re-appoint Deloitte Malaysia PLT as Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **Ordinary Resolution 5**

As Special Business

To consider and if thought fit, to pass with or without modifications the following resolutions:-

7. **Proposed Renewal of Share Buy-Back Authority** **Ordinary Resolution 6**

"THAT subject to the provisions under the Companies Act 2016 ("the Act"), the Constitution of the Company, Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements and the approvals of all relevant authorities (if any), the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("IQGHB Shares") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company provided that the aggregate number of shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the total number of issued shares of the Company as at the point of purchase ("Proposed Renewal of Share Buy-Back Authority").

THAT authority be and is hereby given to the Directors of the Company to decide at their discretion as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any IQGHB Shares so purchased by the Company in the following manner:-

(i) the IQGHB Shares so purchased could be cancelled; or

(ii) the IQGHB Shares so purchased could be retained as treasury shares for distribution as share dividends to the shareholders of the Company and/or resold through Bursa Securities in accordance with the relevant rules of Bursa Securities and/or be cancelled subsequently; or

(iii) combination of (i) and (ii) above; or

(iv) in accordance with the relevant prevailing statutory provisions and guidelines.

THAT the authority conferred by this resolution will be effective immediately from the passing of this ordinary resolution until:-

(i) the conclusion of the next annual general meeting of the Company following the general meeting at which such resolution was passed, at which time the authority would lapse unless renewed by ordinary resolution, either unconditionally or conditionally; or

(ii) the passing of the date on which the next annual general meeting of the Company is required by law to be held; or

(iii) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting;

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

7. **Proposed Renewal of Share Buy-Back Authority (Cont'd)**

whichever occurs first.

And THAT the Directors of the Company be and are authorised to take such steps to give full effect to the Proposed Renewal of Share Buy-Back Authority with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and/or to do all such acts and things as the Directors may deem fit and expedient in the best interest of the Company."

8. **Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature** **Ordinary Resolution 7**

"THAT subject always to the provisions of the Companies Act 2016 ("the Act"), the Constitution of the Company, Bursa Malaysia Securities Berhad Main Market Listing Requirements or other regulatory authorities, approval be and is hereby given to the Company and/or its subsidiaries to enter into recurrent related party transactions with corporations as set out in Sections 2.4.1 and 2.4.2 of the Circular to Shareholders dated 24 July 2026 ("the Circular"), which are necessary for the day to day operations and are carried out in the ordinary course of business and are on normal commercial terms which are not more favourable to the related parties than those generally available to the public and not detrimental to the minority shareholders as set out in the Circular ("Mandate").

THAT the Directors be empowered to do all such acts and things considered necessary or expedient to give full effect to the Mandate with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments as may be imposed by the relevant authorities.

THAT such Mandate shall commence upon passing this ordinary resolution and to be in force until:-

(a) the conclusion of the next Annual General Meeting ("AGM") of the Company at which time the authority shall lapse unless the authority is renewed by a resolution passed at the meeting;

(b) the expiration of the period within which the AGM after that date it is required to be held pursuant to Section 340(2) of the Act (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Act); or

(c) revoked or varied by ordinary resolution of the shareholders of the Company at a general meeting;

whichever is earlier.

And THAT the Directors of the Company be and are hereby authorised to complete and to do all such acts and things (including executing all such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this ordinary resolution."

9. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016.

By Order of the Board

TAN KOK SIONG (LS 0009932) (SSM PC No. 202008001592)
CHIANG SUE MAI (MAICSA 7031742) (SSM PC No. 202008000463)
Secretaries

Date: 24 July 2026

Penang

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

Notes:

1. Proxy

1.1 For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 20 August 2026. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.

1.2 A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.

1.3 A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.

1.4 If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.

1.5 Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

1.6 Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

1.7 Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

1.8 The appointment of a proxy may be made in hard copy form or by electronic means.

(i) <u>In hard copy form</u>
By hand or post to the office of the Company's registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.

(ii) <u>By electronic form</u>
You may also submit your proxy appointment electronically via Vistra Share Registry and IPO (MY) portal ("Vistra SRMY portal") at https://srmy.vistra.com. Please do read and follow the procedures below to submit proxy form electronically.

Please refer to the Administrative Guide for further information on electronic submission. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding this General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.

1.9 Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

1.10 Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.

1.11 Last date and time for lodging this proxy form is 2.30 p.m., 25 August 2026 (Tuesday).

1.12 Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:

a. Identity card (NRIC) (Malaysian), or
b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
c. Passport (Foreigner).

NOTICE OF ANNUAL GENERAL MEETING (Cont'd)

Notes: (Cont'd)

1. Proxy (Cont'd)

1.13 For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.

2. Audited Financial Statements for the financial year ended 31 March 2026

This Agenda item is meant for discussion only as the provision of Sections 248(2) and 340(1)(a) of the Companies Act 2016 do not require a formal approval of the shareholders and hence is not put forward for voting.

3. Re-election of Directors

The details and profiles of the Directors, Mr Daniel John Beasley and Mr Chen, Yi-Chung who are standing for re-election at the 23rd AGM are set out in the Directors' profile of the Annual Report 2026.

The Board through the Nomination Committee ("NC") had conducted an annual assessment on the performance and contribution of the individual Directors including the retiring Directors for the financial year ended 31 March 2026 based on a set of prescribed criteria. The abovementioned Directors have also met the relevant requirements under the fit and proper assessment. Based on the results of the assessments, the performance of each individual Director was found to be satisfactory and the NC had assessed that each individual Director was fit and proper to continue to hold the position as a Director of the Company.

Premised on the satisfactory outcome of the assessments, the Board endorsed the recommendation of the NC to seek members' approval for the re-election of Mr Daniel John Beasley and Mr Chen, Yi-Chung as Directors of the Company.

4. Directors' Fees for the financial year ending 31 March 2027

This proposed Ordinary Resolution 3, if passed, will authorise the payment of Directors' fees of up to an amount of RM500,000.00 for the financial year ending 31 March 2027.

5. Directors' Benefits

This proposed Ordinary Resolution 4, if passed, will authorise the payment of Directors' benefits of up to an amount of RM380,000.00 from 27 August 2026 until the AGM of the Company.

Explanatory Notes on Special Business

<u>Proposed Renewal of Share Buy-Back Authority</u>

This proposed Ordinary Resolution 6, if passed, will give the Directors of the Company the authority to purchase its own shares up to 10% of the total number of issued shares of the Company. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders' approval. This Authority will, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the Annual General Meeting of the Company.

<u>Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature</u>

This proposed Ordinary Resolution 7, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature. This Authority will, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the next AGM of the Company. Please refer to the Circular to Shareholders dated 24 July 2026 for more information.

TWENTY-THIRD ANNUAL GENERAL MEETING (23RD AGM) ADMINISTRATIVE DETAILS

Date	:	Thursday, 27 August 2026
Time	:	2.30 p.m.
Meeting Platform	:	R & D Detection Test Floor, IQ Group Holdings Berhad 149, Jalan Sultan Azlan Shah Taman Perindustrian Bayan Lepas Fasa 1 (FTZ) 11900 Bayan Lepas, Penang

REGISTRATION

The registration counter starts at 1.30p.m. on Thursday, 27 August 2026 and will remain open until the conclusion of the 23rd AGM or such time as may be determined by the Chairman of the Meeting.

Shareholders or proxies are requested to produce/show their original MyKAD or Passport (for non-Malaysians) to the registration staff for verification purposes. Please ensure the original MyKAD or Passport is returned to you thereafter.

Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.

Upon verification, shareholders or proxies will also be given the identification wristbands for voting purposes. No person will be allowed to enter the meeting hall without the identification wristband. There will be no replacement for the identification wristband if it is lost or misplaced.

PROXY

Only member whose name appears on the Record of Depositors as at 20 August 2026 shall be entitled to attend and vote or appoint proxy/ proxies to attend and vote on his/her behalf at the 23rd AGM.

If you are unable to attend the meeting on Thursday, 27 August 2026, you may appoint the Chairman of the Meeting as proxy and indicate the voting instructions in the Proxy Form.

If you wish to personally participate in the 23rd AGM yourself, please do not submit any Proxy Form. You will not be allowed to participate in the 23rd AGM together with the proxy appointed by you.

The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a Director, or of its attorney duly authorised. Any alteration to the instrument appointing a proxy must be initialed.

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited or submitted in the following manner not later than Tuesday, 25 August 2026 at 2.30 p.m..

(i) In hard copy form

By hand or post to the office of the Company's registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.

(ii) By electronic form

You may also submit your proxy appointment electronically via Vistra Share Registry and IPO (MY) portal ("Vistra SRMY portal") at https://srmy.vistra.com. Please do read and follow the procedures below to submit proxy form electronically.

TWENTY-THIRD ANNUAL GENERAL MEETING (23RD AGM) ADMINISTRATIVE DETAILS (Cont'd)

ELECTRONIC LODGEMENT OF PROXY FORM

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User at Vistra SRMY portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Individual Holder" and complete the New User Registration Form. 3. For guidance, you may refer to the tutorial guide available on the homepage. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *If you are an existing user with the Vistra SRMY portal or the TIIH Online portal previously, you are not required to register again.*
Proceed with submission of proxy form	1. After the release of the Notice of Meeting by the Company, login with your email address and password. 2. Select the corporate event: "**IQ GROUP HOLDINGS BERHAD 23RD AGM**" 3. Navigate to the 3 dots at the end of the corporate event and choose "**SUBMISSION OF PROXY FORM**". 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf. 6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. 7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN. 8. Print the proxy form for your record.
ii. Steps for Corporate or Institutional shareholders	
Register as a User with Vistra SRMY portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Representative of Corporate Holder" and complete the New User Registration Form. 3. Complete the registration form with your personal details. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.*
Proceed with submission of form of proxy	1. Login to https://srmy.vistra.com with your email address and password. 2. Select the corporate event: "**IQ GROUP HOLDINGS BERHAD 23RD AGM**" 3. Navigate to the icon ">" at the end of the corporate event. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Select the corporate holder's name. 6. Proceed to download the submission file. 7. Prepare the file for the appointment of proxy(ies) by inserting the required data. 8. Proceed to upload the duly completed proxy appointment file. 9. Select "**Confirm**" to complete your submission. 10. Print the confirmation report of your submission for your record.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose determining who shall be entitled to attend the 23rd AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 20 August 2026 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting.

TWENTY-THIRD ANNUAL GENERAL MEETING (23RD AGM) ADMINISTRATIVE DETAILS (Cont'd)

NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 23rd AGM proceedings is allowed without prior written permission of the Company.

POLL VOTING

The voting at the 23rd AGM will be conducted by poll in accordance with Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the poll by way of electronic voting.

Shareholders or proxies or corporate representatives or attorneys can proceed to vote on the resolutions upon the announcement by the Chairman of the Meeting.

Upon completion of the voting session for the 23rd AGM, the Scrutineers will verify the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

ANNUAL REPORT 2026

The Company's Annual Report 2026 is available at:
- The Company's website at https://iq-group.com/
- Bursa Malaysia's website at www.bursamalaysia.com under the Company's announcements.

As part of our sustainability initiatives, we encourage you to refer to the digital version.

Should you require a printed copy, please complete the *Annual Report Request Form* and email it to st.loo@iq-group.com.

ENQUIRY

If you have any enquiry prior to the meeting, you may contact the Share Registrar during office hours, on Mondays to Fridays, from 9.00 a.m. to 5.30 p.m. (except public holidays) at:

Tricor Investor & Issuing House Services Sdn Bhd	
Telephone Number	603-2783 9299
Email	is.enquiry@vistra.com

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Statement Accompanying Notice of Annual General Meeting pursuant to Paragraph 8.27(2) of Bursa Malaysia Securities Berhad Main Market Listing Requirements

There are no individuals who are standing for election as Directors (excluding Directors standing for re-election) at this forthcoming Annual General Meeting.

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY IQ GROUP HOLDINGS BERHAD ("THE COMPANY" OR "IQGHB") OF ITS OWN SHARES

This Statement is important and requires your immediate attention. If you are in any doubt as to the course of action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

Bursa Malaysia Securities Berhad ("Bursa Securities") takes no responsibility for the contents of this Statement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Statement. This Statement has not been perused by Bursa Securities before its issuance.

1. INTRODUCTION

Tricor Corporate Services Sdn Bhd had, on behalf of IQGHB, announced to Bursa Malaysia Securities Berhad ("Bursa Securities") that IQGHB is proposing to seek its shareholders' approval at its Twenty-Third Annual General Meeting ("AGM") of IQGHB ("IQGHB Twenty-Third AGM") to be convened in 2026 for the renewal of the authority for the purchase by IQGHB of its own shares of up to ten percentage (10%) of the total number of issued shares of IQGHB ("the Proposed Renewal of Share Buy-Back Authority").

The purpose of this Statement is to provide you with information on the Proposed Renewal of Share Buy-Back Authority together with your Directors' recommendation on the Proposed Renewal of Share Buy-Back Authority, and to seek your approval of the ordinary resolution on the Proposed Renewal of Share Buy-Back Authority to be tabled at the forthcoming IQGHB Twenty-Third AGM to be held at the R & D Detection Test Floor, IQ Group Holdings Berhad, 149, Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas Fasa 1 (FTZ), 11900 Bayan Lepas, Penang on Thursday, 27 August 2026 at 2.30 p.m.

The notice of IQGHB Twenty-Third AGM and the Form of Proxy are enclosed with IQGHB 2026 Annual Report.

2. Details of the Proposed Renewal of Share Buy-Back Authority

At the Twenty-Second Annual General Meeting of IQGHB held on 26 August 2025, shareholders had, *inter alia*, approved the existing authority for the purchase by IQGHB of its own shares of up to ten percent (10%) of the total number of issued shares of the Company ("Share Buy-Back Authority"). In compliance with Bursa Securities Main Market Listing Requirements ("Listing Requirements") and the resolution passed by the shareholders on 26 August 2025, Share Buy-Back Authority will expire at the conclusion of IQGHB Twenty-Third AGM to be held on 27 August 2026, unless renewed by an ordinary resolution passed by the shareholders.

The maximum number of shares that may be bought back of up to ten percent (10%) of the total number of issued shares of the Company would include all shares which have been previously bought back and cancelled or retained as treasury shares. The renewal of the authority from the shareholders for the purchase by IQGHB of its own shares will be effective immediately upon the passing of the ordinary resolution on the Proposed Renewal of Share Buy-Back Authority at IQGHB Twenty-Third AGM, to be held on 27 August 2026 until:-

(i) the conclusion of the next AGM of the Company at which time it will lapse unless by an ordinary resolution passed at the meeting, the authority is renewed, either unconditionally or subject to conditions; or

(ii) the expiration of the period within which the next AGM after that date is required by law to be held; or

(iii) revoked or varied by an ordinary resolution passed by the shareholders of the Company in a general meeting;

whichever occurs first.

The Shares purchased by the Company may be dealt with by the Board in accordance with Section 127 of the Act, in the following manner:-

(a) to cancel the Shares so purchased; or

(b) to retain the Shares so purchased as treasury shares for distribution as share dividends to the shareholders of the Company and/or resell on the Bursa Securities in accordance with the relevant rules of the Bursa Securities and/or cancellation subsequently; or

(c) to retain part of the Shares so purchased as treasury shares and cancel the remainder.

While the purchased Shares are held as treasury shares, the rights attached to them in relation to voting, dividends and participation in any other distributions or otherwise will be suspended. The treasury shares shall not be taken into account in calculating the number or percentage of Shares or of a class of Shares in the Company for any purposes including substantial shareholding, take-over, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on the resolution at a meeting.

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY IQ GROUP HOLDINGS BERHAD ("THE COMPANY" OR "IQGHB") OF ITS OWN SHARES (Cont'd)

3. SOURCE OF FUNDS

The Listing Requirements stipulates that the proposed purchase by a listed company of its own shares must be made wholly out of retained profits of the listed company. IQGHB therefore proposes to allocate an amount not exceeding the audited retained profits of IQGHB for the purpose of the Proposed Renewal of Share Buy-Back Authority. Based on the latest audited financial statements of IQGHB as at 31 March 2026, the retained profits of IQGHB amounted to RM19,832,051. The funding for the purchase by IQGHB of its own shares is expected to be internally generated.

The actual number of ordinary shares in IQGHB ("IQGHB Shares") to be purchased, the total amount of funds involved for each purchase and timing of the purchase would depend on market conditions and the amount of retained profits, if any, of IQGHB.

4. RATIONALE FOR THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Proposed Renewal of Share Buy-Back Authority will provide IQGHB with another option to utilise its financial resources more efficiently. The Proposed Renewal of Share Buy-Back Authority is expected to stabilise the supply and demand of IQGHB Shares as well as the price of IQGHB Shares. All things being equal, the Proposed Renewal of Share Buy-Back Authority, irrespective of whether IQGHB Shares that have been previously bought-back pursuant to previous or the existing Share Buy-Back Authority ("Purchased IQGHB Shares") are held as treasury shares or cancelled, will result in a lower number of IQGHB Shares being taken into account for the purpose of computing the earnings per share ("EPS") of IQGHB Shares. The cost of the Purchased IQGHB Shares, whether held as treasury shares or cancelled, will be excluded from the shareholders' funds of IQGHB and its subsidiaries ("IQGHB Group") in the computation of return on equity ("ROE") of IQGHB, which in turn is expected to have a positive impact on the price of IQGHB Shares.

5. POTENTIAL ADVANTAGES AND DISADVANTAGES OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The Proposed Renewal of Share Buy-Back Authority, if exercised, is expected to potentially benefit IQGHB and its shareholders as follows:-

(i) the EPS of IQGHB Shares and the ROE of IQGHB (all other things being equal) would be enhanced. This is expected to have a positive impact on the market price of IQGHB Shares which will benefit shareholders of IQGHB; and

(ii) if the Purchased IQGHB Shares are retained as treasury shares, it will provide the Directors with the option to sell the Purchased IQGHB Shares at a higher price and generate profits for IQGHB. Alternatively, the Purchased IQGHB Shares retained as treasury shares may be distributed as share dividend to shareholders.

The potential disadvantages of the Proposed Renewal of Share Buy-Back Authority, if exercised, will be the reduction in the financial resources of IQGHB or loss generated in the event that the price of IQGHB Shares is below the purchase price. This may result in IQGHB foregoing other investment opportunities that may emerge in the future. However, the financial resources of IQGHB will increase upon the resale of the Purchased IQGHB Shares which are held as treasury shares in the open market.

6. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

The effects of the Proposed Renewal of Share Buy-Back Authority on the share capital, net assets and working capital and earnings of IQGHB, shareholdings of the Directors and substantial shareholders of IQGHB, assuming IQGHB purchases IQGHB Shares up to the maximum ten percent (10%) of the issued and paid-up share capital of IQGHB, are set out as follows:-

6.1 Share Capital

In the event that all the Purchased IQGHB Shares are cancelled and on the assumption that the Proposed Renewal of Share Buy-Back Authority is exercised in full, the proforma effects of the Proposed Renewal of Share Buy-Back Authority on the total number of issued shares of IQGHB as at 30 June 2026, are as follows:-

	Number of IQGHB Shares
As at 30 June 2026	88,028,550
Cancellation of Purchased IQGHB Shares	8,802,855
After the Proposed Renewal of Share Buy-Back Authority	79,225,695

However, in the event that all IQGHB Shares bought-back are retained as treasury shares, the Proposed Renewal of Share Buy-Back Authority will not have any effect on the total number of issued shares of IQGHB.

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY IQ GROUP HOLDINGS BERHAD ("THE COMPANY" OR "IQGHB") OF ITS OWN SHARES (Cont'd)

6. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Cont'd)

6.2 Net Assets ("NA")

The Proposed Renewal of Share Buy-Back Authority may increase or decrease the NA per IQGHB Share depending on the purchase price(s) of IQGHB Shares bought-back pursuant to the Proposed Renewal of Share Buy-Back Authority. The NA per IQGHB Share will increase if the purchase price is less than the NA per IQGHB Share and will decrease if the purchase price exceeds the NA per IQGHB Share at the time when IQGHB Shares are purchased.

In the event the Purchased IQGHB Shares which are retained as treasury shares are resold, the NA of IQGHB Shares will increase or decrease depending on whether a gain or a loss is realised upon the resale. The quantum of the increase or decrease in NA will depend on the actual disposal price and the number of the Purchased IQGHB Shares, retained as treasury shares, which are resold.

6.3 Working Capital

The Proposed Renewal of Share Buy-Back Authority will reduce the working capital of IQGHB Group, the quantum of which will depend on the number of IQGHB Shares purchased and the purchase price(s) of IQGHB Shares.

6.4 Earnings

The effect of the Proposed Renewal Share Buy-Back Authority on the earnings of IQGHB will depend on, *inter alia*, the number of IQGHB Shares purchased and the purchase price(s) of IQGHB Shares.

6.5 Shareholding of the Directors and Substantial Shareholders

(i) Shareholding of Directors

The proforma effects of the Proposed Renewal of Share Buy-Back Authority on the shareholding of the Directors of IQGHB based on the Record of Depositors as at 30 June 2026 are as follows:-

Directors	As at 30 June 2026				Assuming 10% of the Share Capital is Purchased and Cancelled			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chen, Wen-Chin also known as Kent Chen	16,895,701	19.19	41,171,451*	46.77	16,895,701	21.33	41,171,451*	51.97
Daniel John Beasley	40,000	0.05	-	-	40,000	0.05	-	-
Tan Boon Hoe	-	-	-	-	-	-	-	-
Chen, Yi-Chung	-	-	-	-	-	-	-	-
Teresa Tan Siew Kuan	-	-	-	-	-	-	-	-
Koay Huck Khim	-	-	-	-	-	-	-	-

* By virtue of his substantial interest in Sensorlite Limited and Sensorlite Investments Limited and interest of spouse by virtue of Section 59(11)(c) of the Companies Act 2016

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY IQ GROUP HOLDINGS BERHAD ("THE COMPANY" OR "IQGHB") OF ITS OWN SHARES (Cont'd)

6. EFFECTS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY (Cont'd)

6.5 Shareholding of the Directors and Substantial Shareholders (Cont'd)

(ii) Shareholding of Substantial Shareholders

The proforma effects of the Proposed Renewal of Share Buy-Back Authority on the shareholding of the Substantial Shareholders of IQGHB based on the Register of Substantial Shareholders as at 30 June 2026 are as follows:-

Shareholder	As at 30 June 2026				Assuming 10% of the Share Capital is Purchased and Cancelled			
	Direct		Indirect		Direct		Indirect	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Chen, Wen-Chin also known as Kent Chen	16,895,701	19.19	39,638,867**	45.03	16,895,701	21.33	39,638,867**	50.03
Sensorlite Limited	35,659,240	40.51	-	-	35,659,240	45.01	-	-

** By virtue of his substantial interest in Sensorlite Limited and Sensorlite Investments Limited

7. HISTORICAL SHARE PRICE OF THE COMPANY

The monthly highest and lowest closing price of shares as traded on Bursa Securities for the past twelve (12) months are as follows:

Year 2025/2026	High (RM)	Low (RM)
2025		
July	0.580	0.490
August	0.580	0.480
September	0.555	0.490
October	0.565	0.505
November	0.540	0.480
December	0.545	0.470
2026		
January	0.510	0.470
February	0.485	0.450
March	0.460	0.405
April	0.425	0.385
May	0.450	0.405
June	NA*	NA*

(Source : klse.i3investor)

* As there was no trading activity during June 2026, no closing share price was available for that month.

The last transacted price of shares on 30 June 2026 being the latest practicable date prior to the printing of this Statement was RM0.420

8. PUBLIC SHAREHOLDING SPREAD

The Proposed Renewal of Share Buy-Back Authority shall be in compliance with Section 127 of the Companies Act 2016 and any prevailing laws, orders, requirements, guidelines, rules and regulations issued by the relevant authorities at the time of purchase including compliance with the twenty five percent (25%) public shareholding as required by Bursa Securities. Based on the public shareholding spread of IQGHB as at 30 June 2026 of 33.99%, assuming that the Proposed Renewal of Share Buy-Back Authority is implemented up to ten percent (10%) of the total number of issued shares of IQGHB and that the number of IQGHB Shares held directly and indirectly by the substantial shareholders and the Directors of IQGHB remain unchanged, the public shareholding spread of IQGHB is expected to be reduced to 26.66%.

STATEMENT TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF AUTHORITY FOR THE PURCHASE BY IQ GROUP HOLDINGS BERHAD ("THE COMPANY" OR "IQGHB") OF ITS OWN SHARES (Cont'd)

9. IMPLICATIONS OF THE PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY IN RELATION TO THE MALAYSIAN CODE ON TAKE-OVERS AND MERGERS, 2016 ("THE CODE")

The Proposed Renewal of Share Buy-Back, if carried out in full (whether shares are cancelled or treated as treasury shares), may result in a substantial shareholder and/or parties acting in concert with it incurring a mandatory general offer obligation. In this respect, the Board is mindful of the provisions under the Code.

10. PURCHASES AND RESALE OF IQGHB SHARES MADE IN THE PREVIOUS TWELVE (12) MONTHSS

There were no shares being bought back during the financial year ended 31 March 2026 and as such, there were no resale or cancellation of any treasury shares in the previous twelve (12) months.

11. DIRECTORS', MAJOR SHAREHOLDERS', PERSONS CONNECTED WITH DIRECTORS' AND MAJOR SHAREHOLDERS' INTERESTS

None of the Directors, Major Shareholders, persons connected with Directors and Major Shareholders have any interest, direct or indirect, in the Proposed Renewal of Share Buy-Back Authority.

12. DIRECTORS' RECOMMENDATION

Your Board of Directors ("the Board"), having considered all aspects of the Proposed Renewal of Share Buy-Back Authority, is of the opinion that the Proposed Renewal of Share Buy-Back Authority is in the best interest of IQGHB.

Accordingly, your Board recommends that you vote in favour of the ordinary resolution on the Proposed Renewal of Share Buy-Back Authority to be tabled at IQGHB Twenty-Third AGM to be held on 27 August 2026.

13. BURSA SECURITIES' DISCLAIMER LIABILITY

Bursa Securities has not perused this Statement prior to its issuance and takes no responsibility for the contents of this Statement and makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or reliance upon the whole or any part of the contents of this Statement.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of IQ Group Holdings Berhad ("the Board") recognises the importance of maintaining a sound corporate governance structure to ensure sustainability as well as enhancing the long term value of the Group.

The Board is pleased to share hereunder an overview statement on how the Company has adopted the principles set out in the Malaysian Code of Corporate Governance ("MCCG"). The detailed application for each practice is disclosed in Corporate Governance Report of the company which is accessible via the Company's official website at www.iq-group.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is obligated to play an active role in directing management in an effective and responsible manner. The Directors, collectively and individually, have legal and fiduciary duty to act in the best interest of the Company and to effectively represent and promote the interests of the shareholders and stakeholders with a view to achieve its vision towards corporate sustainability.

The Board assumes, amongst others, the following duties and responsibilities:

a) Promote good corporate governance culture within the Group;
b) Reviewing, adopting and monitoring the implementation of a strategic plan for the Company and its subsidiaries ("Group");
c) Overseeing and evaluating the conduct of the Group's business. Ensure that the Company adheres to high standards of ethics and corporate behaviour which include managing conflicts of interest, preventing the abuse of power, fraud, bribery and corruption, insider trading and money laundering;
d) Ensure there is a sound framework of internal controls and risk management;
e) Identifying principal risks and ensuring the implementation of the appropriate control and system to manage such risks;
f) Succession planning including appointing, training, fixing the remuneration of and where appropriate, replacing the Senior Management and the Board of the Group;
g) Overseeing the development and implementation of shareholders' communication policy for the Company;
h) Reviewing the adequacy and the integrity of the management information and the internal control system of the Company, for ensuring compliance with applicable laws, regulations, rules, directives and guidelines;
i) Provide assurance to its internal and external stakeholders that the Group is operating in compliance with its policies and any other applicable regulatory requirements. This includes establishing a "tone from the top" and spearheading the Group's efforts to improve on its corruption risk management framework, internal control system, review and monitoring as well as training and communication;
j) Ensure that the Company's sustainability strategies, priorities and targets as well as performance against the targets are communicated to its internal and external stakeholders;
k) Together with the senior management, takes responsibility for the governance of sustainability in the Group, among others, include the development and implementation of company strategies, business plans, major plans of action and risk management;
l) Direct and periodically review an anti-corruption compliance programme which includes clear policies and objectives that adequately addresses corruption risk;
m) Approve the Whistleblowing Policy and Procedure to encourage reporting of any legitimate concerns over any wrongdoing at the Group on unlawful conduct, financial malpractice or dangers to the public or the environment within as well as any suspected and/ or real corrupted incidents;
n) Review and/ or acknowledge on the investigation outcome of whistleblowing issues, results of fraud, illegal acts or suspected violations of Group policies involving all employees, Management and Directors;
o) Periodic review and approve Code of Business Conduct and Ethics to align with the changes in law, governance code coupled with the changes in Company's vision, mission and business plan, and
p) Review the development and dissemination of internal and external trainings relevant to its anti-corruption management system, covering areas such as policy, training, reporting channel and consequences of non-compliance.

The Company has established clear roles and responsibilities for the Board and its Management through a Board Charter. Whilst the Board is responsible for creating the framework and policies within which the Group should be operating, the Management is responsible for instituting measures on compliance with laws, regulations, rules, directives and guidelines, including the achievement of the Group's corporate objectives. The Board Charter is accessible to the public on the Company's official website and any updates thereafter will be uploaded to the website accordingly.

There is a clear division of roles and responsibilities amongst the Executive Chairman and the Group Managing Director/ CEO. The Group Executive Chairman, Mr. Chen, Wen-Chin also known as Kent Chen is responsible for ensuring the governance process of the Board while Mr. Daniel John Beasley, the Group Managing Director/ CEO leads the executive management and is responsible for the implementation of Group's policies and strategies besides overseeing and managing the day-to-day operations of the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

I. Board Responsibilities (Cont'd)

The Board acquires corporate secretarial services from a professional secretarial firm to assist the Board of Directors in discharging its duties and responsibilities. The Board Charter of the Company outlined the roles and responsibilities of Company Secretaries. The Directors are provided with access to the advice and services of the company's secretaries who are qualified, experienced and competent on statutory and regulatory requirements. The Company Secretaries brief the Board on the proposed contents and timing of material announcements to be made to regulators. The Company Secretaries attends all Board and Board Committee meetings to ensure that the meetings are properly convened, and that accurate and proper records of the proceedings and resolutions passed are taken and maintained accordingly.

Board Meetings are structured with a pre-set agenda and Board papers are circulated to all Board members at least 5 business days in advance of each Board Meeting to enable the Directors to consider and deliberate knowledgeably on issues and to facilitate informed decision making. The deliberations and decisions of the Board and Board Committees are properly documented in the minutes and the draft minutes are circulated to all the Directors/ members of the Board Committee in a timely manner upon conclusion of the meeting for review.

The Board has formalised a Code of Conduct and Ethics for the Company. The Code of Conduct and Ethics is published on the Company official website.

The Board has also formalised an Anti-bribery and Corruption policy as well as a Whistle Blowing policy which are available in the Company's official website. As outlined in the Whistle Blowing policy, whistleblower is required to raise the concerns to Group Managing Director/ CEO of the Company for matters related the Head of Department. Otherwise, the whistleblower shall report to Senior Independent Non-Executive Director, Mr. Tan Boon Hoe via e-mail at bhtan56@gmail.com for any issues related to the Management.

II. Board Composition

The Board currently comprises six (6) Directors, including a woman director, of which three (3) are Independent Non-Executive Directors. The composition is in line with Paragraph 15.02(1) and (2) of the Main Market Listing Requirements, which requires at least one third of the Board members to be independent.

Collectively, the Board members have diverse background in business, finance, technology and general management, sufficient to ensure that there is a considerable depth of knowledge, expertise and experience on the Board of IQ Group Holdings Berhad.

The Board through its Board Charter has outlined that the tenure of an Independent Director should not exceed a cumulative term of nine (9) years. The Independent Director may continue to serve on the Board beyond the 9-years tenure in the capacity of a Non-Independent Director. Nonetheless, the Board reserves the right to retain the Director as Independent Directors by seeking annual shareholders' approval.

As stipulated in the Board Charter, annual shareholders' approval shall be sought through a two-tier voting process should the Board intends to retain an Independent Director who has served for more than 9 years.

The Board has delegated certain responsibilities to Board Committees, which operate within clearly defined terms of references as follows:

i. The Audit Committee

The Audit Committee was established to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, timely and accurate financial reporting and development of sound internal controls.

The composition and summary of the terms of reference together with its report are presented in pages 79 to 82 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

II. Board Composition (Cont'd)

ii. The Nomination Committee

The Nomination Committee is chaired by Madam Teresa Tan Siew Kuan, an Independent Non-Executive Director. The Nomination Committee comprises exclusively Independent Non-Executive Directors and is tasked with the primary responsibility of assessing and recommending to the Board the candidature of Directors and to put in place Board succession plans.

Details of the members and terms of reference of the Nomination Committee are presented in pages 83 to 86 of this Annual Report.

Appointment, Induction and Assessment of Directors

The suitability of candidates for the Board shall be based on the candidates' competency, character, time commitment, integrity, experience, contribution and performance in meeting the needs of the Company. Where board diversity is concerned, the Board does not have a specific policy and setting targets for women candidates. The Board does not have a specific policy on ethnicity.

During the financial year under review, the Nomination Committee reviewed the effectiveness of the Board as a whole, the Board Committees as well as the contribution by each of the individual directors. The Board is satisfied with the existing board structure, effectiveness and level of commitment given by the Directors towards fulfilling their roles and responsibilities as Director of the Company.

New Directors, upon appointment, are briefed by the Executive Directors and Management on the Company's history, business and plant visit to enable them to have in-depth understanding of the Company's operation.

iii. The Remuneration Committee

The Remuneration Committee was established to assist the Board in the review of the remuneration framework and packages for Directors and Senior Management of the Group.

The composition, terms of reference and summary of activities of this committee for the financial year under review are presented in pages 87 to 89 of this Annual Report.

III. Remuneration

As stipulated in the Terms of Reference of Remuneration Committee, the Board Committee is responsible to review the remuneration framework and packages of Executive and Non-Executive Directors in order to make recommendation to the Board. Nevertheless, the recommendation of Remuneration Committee is not limited to any long term incentive schemes which may be set up from time to time and to do all acts necessary in connection herewith.

The remuneration package and increment for IQ Group's Executive Directors and Senior Management are dependent on the operating results of the Company after taking into account the individual's contribution, commitment and performance in achieving targets set.

The Remuneration Committee also reviews the remuneration for Non-Executive Directors and Independent Directors to ensure that the remuneration is linked to the level of responsibilities undertaken and contribution to the effective functioning of the Board.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Audit Committee comprises solely of Independent Non-Executive Directors. The positions of Chairman of Audit Committee and the Board are held by different individuals. The Chairman of the Audit Committee is Mr. Tan Boon Hoe, who is the Senior Independent Non-Executive Director. On the other hand, Mr. Chen, Wen-Chin also known as Kent Chen is the Executive Chairman of the Board.

As stipulated in the Term of Reference of Audit Committee, a former key audit partner and/or affiliate firm (including those providing advisory services, tax consulting etc) must observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

I. Audit Committee (Cont'd)

The Audit Committee also keeps under review the scope and results of the audit and its cost effectiveness while taking into account the independence and objectivity of the Company's external auditors. The Company ensures that the Company's external auditors do not supply a substantial volume of non-audit services to the Company such that it would impair the external auditors' independence. The Board has formalised the policy of non-audit services as to ensure the independence of the external auditor and this policy is accessible on the corporate website. Additionally, the Audit Committee has obtained the Annual Transparency Report and a written confirmation from the external auditors with regards to their independence in accordance with the by-laws on professional ethics, conduct and practice of the Malaysian Institute of Accountants.

II. Risk Management and Internal Control Framework

The Board has established and adopted an Enterprise Risk Management ("ERM") framework to provide reasonable assurance that potential risks within the Group are properly identified, evaluated and treated to minimise unforeseen adverse impact to the Group.

The Group has carried out a formal and structured ERM update during the financial year under review, to identify, evaluate and manage significant risks faced by the Group to safeguard Group's assets and stakeholders' interest.

The key features of the Enterprise Risk Management framework, including the internal control system to address risks identified are set out in the Risk Management and Internal Control Statement on pages 30 to 34 of this Annual Report.

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

I. Communication with Stakeholders

The Board recognises that timely and high quality disclosure of material information to the public is an integral part of the corporate governance framework. The Board has formalised a corporate disclosure policy which sets out the written procedures and authorised person to approve and disclose material information to shareholders and stakeholders.

At present, shareholders and stakeholders are communicated with informative, accurate and timely material information concerning the Company primarily through the corporate website and announcements made through Bursa Securities.

The Board values dialogue with investors and shall hold dialogue sessions with investors, fund managers and analysts upon request. The Group Executive Chairman and Chief Executive Officer are identified as official spokespersons of the Company to members of the public including journalists, analysts, fund managers and institutional investors.

The Board has identified Mr. Tan Boon Hoe as the Senior Independent Non-Executive Director to whom concerns from other member of the Board, Senior Management and the public may be conveyed. Mr. Tan Boon Hoe can be contacted via e-mail at *bhtan56@gmail.com* for any issues related to the Management.

II. Conduct of General Meetings

The Board recognises that the Annual General Meeting ("AGM") is a platform for shareholders to meet and exchange views with the Board.

The AGM of the Company provides shareholders with the opportunity to raise questions on various matters relating to the Group's business and affairs.

The Company will ensure that the notice of AGM will be given to its shareholders at least 28 days prior to the meeting to enable shareholders to go through the Annual Report and papers supporting the resolutions proposed. Shareholders are invited to ask questions both about the resolutions being proposed before putting a resolution to vote as well as matters relating to the Group's operations in general.

All resolutions set out in the notice of the 22nd AGM were put to vote by poll-voting. The results of the poll would be verified by J. Heng Corporate Advisors Sdn. Bhd. as Independent Scrutineers and the outcome of the AGM was announced to Bursa Securities on the same meeting day.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (Cont'd)

DIRECTOR'S TRAINING

The training needs of the Directors will be reviewed by the Nomination Committee on a regular basis to ensure that Directors are acquainted with the latest development and changing environment within which the Company operates.

Directors are encouraged to attend talks, seminars, workshops, conferences and other training programs to update themselves on developments in the business community as well as changes in laws and regulations.

All Directors have completed the Mandatory Accreditation Programme Part I and Part II as required by Bursa Malaysia Securities Berhad.

The briefing, training programmes and seminars attended by the members of the Board during the financial year ended 31 March 2026 are summarised below.

Daniel John Beasley
- Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
- Challenges in Business World, Risk & compliance by V.U.C.A

Chen, Yi-Chung
- Nordic Tech Tour, APAC (Seminar)
- Sensor + Test 2025 (Exhibition + Forum)

Tan Boon Hoe
- The Future of Corporate Reporting: Embracing IFRS S1 & S2 and the Continued Relevance of Integrated Thinking and Reporting
- Updates to the Code of Ethics
- Technology in Practice: Artificial Intelligence
- Training on Insider Trading
- Deloitte TaxMax - Building economic resilience through strategic tax reforms

Teresa Tan Siew Kuan
- CFO Circle Webinar: Strategic Leadership in the Age of Artificial Intelligence and Robotic Process Automation - Driving Purpose and Innovation
- Tax Seminar on Budget 2026

Mr. Chen, Wen-Chin did not attend any directors' training programme during the financial year due to exceptional business commitments arising from significant corporate transactions and operational priorities that required his continuous involvement throughout the year. Mr. Koay Huck Khim did not attend any directors' training programme during the financial year due to unavoidable personal commitments that coincided with the available training schedules. Both directors will attend appropriate directors' training programmes in the following financial year to support their continuing professional development.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are required by the Companies Act, 2016 to prepare financial statements for each financial year which have been made out in accordance with the applicable approved accounting standards and give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and of the results and cash flow of the Group and the Company for the financial year.

The Directors are satisfied that in preparing the financial statement of the Group and the Company for the financial year ended 31 March 2026, the Group has used the appropriate accounting policies and applied them consistently. The Directors are also of the opinion that the financial statements are prepared in accordance with the approved accounting standards, the provisions of the Companies Act, 2016 and the Listing Requirements of the Bursa Securities.

This Corporate Governance Overview statement is approved at the Board of Directors' Meeting held on 29 June 2026.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT

INTRODUCTION

Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") requires the board of directors of listed issuers to include in its annual report a "statement about the state of risk management and internal control of the listed company as a group".

The Board of Directors (the "Board") of IQ Group Holdings Berhad (the "Company") is committed to maintaining an effective system of risk management and internal control in IQ Group Holdings Berhad and its subsidiaries (collectively referred to as the "Group") and is pleased to provide the following Statement on Risk Management and Internal Control (this "Statement"), which outlines the nature and scope of the risk management and internal control system of the Group during the financial year ended 31 March 2026.

In preparing this Statement, the Board has taken into consideration the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies ("SORMIC Guide 2025") as endorsed by Bursa Malaysia Securities Berhad pursuant to Paragraph 15.26(b) of the Listing Requirements.

BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility for maintaining as well as reviewing the adequacy and integrity of the risk management and internal control system to safeguard its shareholders' investment and other stakeholders' interests. The system of internal controls covers not only financial controls but also non-financial controls such as operational and compliance controls and risk management procedures.

In view of the limitations inherent in any system of risk management and internal control, the system is designed to manage risks within tolerable and knowledgeable limits, rather than to eliminate, the risk of failure to achieve the Group's business and corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance, against material misstatement or loss.

In evaluating the adequacy of the Group's system of risk management and internal control, the Board is assisted by the Audit Committee which comprises solely of Independent Non-Executive Directors. Notwithstanding the delegated responsibilities, the Board acknowledges its overall responsibility in the establishment and oversight of the Group's risk management and internal control system.

The Board affirms that there is an on-going process for identifying, evaluating, managing, monitoring and reporting significant risks faced by the Group. The Board, through its Audit Committee, regularly reviews the results of this process, including mitigation measures taken by Management, to address areas of key risks as identified. This process has been in place for the financial year under review and up to the date of approval of this Statement for inclusion in the Annual Report of the Company.

RISK MANAGEMENT

The Board is guided by Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance which calls for the establishment of an effective risk management and internal control framework to be implemented across the Group.

The Board has established and adopted an Enterprise Risk Management ("ERM") framework to provide reasonable assurance that potential risks within the Group are properly identified, evaluated and treated to minimise unforeseen adverse impact to the Group.

The adopted ERM framework includes an on-going risk management process carried out by the Management. Risks may be associated with internal or external factors including turnover of key personnel, changes in the economic and political environment, competition, introduction of new rules and regulations, technological advancement and other matters relevant to the Group. For each of the key risks identified, the respective divisional head or manager is responsible to continuously monitor the implementation of risk mitigation action plans and to update the Board via Audit Committee. Risk tolerance limits are set to align the risk appetite, with the consideration of likelihood of occurrence and severity of consequences, are subject to review periodically. Existing controls to mitigate and manage these risks are then re-assessed and strengthened.

During the financial year under review, the Group carried out a formal and structured ERM update to identify, evaluate and manage significant risks faced by the group. This ERM exercise includes: -

- Identification of the specific risks faced by the Group via interviews with relevant key personnel;
- Identify the causes and consequences of the risks;
- Assess the likelihood and impact of the risks concerned materializing;
- Determine the controls in place or to be implemented to minimize or mitigate the risks;
- Evaluate and determine the risk rating after considering the control effectiveness; and
- Review the result of this process with Management annually which includes the effectiveness of mitigating measures taken to address areas of key risks as identified in the abovementioned ERM review and any changes to the risk rating due to recent developments.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT (Cont'd)

RISK MANAGEMENT (Cont'd)

The results of the ERM update were reviewed with Management and reported to Audit Committee and the Board. Where areas for improvement were identified, Management was required to implement appropriate mitigation measures and action plans.

Whilst the Board considers the risk management framework to be robust, the framework is still subject to periodic testing and continuous improvement, taking into consideration better practices and the changing business environment.

RISK GOVERNANCE STRUCTURE

The Group's risk governance structure as below: -

Board of Directors
The Board holds ultimate responsibility for the governance of risk and sets the overall direction for the Group's risk management practices. In discharging its oversight function, the Board:

- Provides strategic leadership and establishes the tone from the top on risk culture and risk governance;
- Approves the Group's risk appetite, key risk management policies and ERM framework; and
- Ensures that significant risks and internal control matters are addressed appropriately and in a timely manner.

Audit Committee
Acting on behalf of the Board, the Audit Committee provides independent oversight of the Group's risk management and internal control environment. Its responsibilities include:

- Reviewing the adequacy and effectiveness of the ERM processes and internal control systems;
- Evaluating findings from internal and external audits and monitoring the implementation of corrective actions; and
- Ensuring that material risk issues are highlighted and escalated to the Board for deliberation.

Senior Management
Senior Management's responsibilities include:

- Leads the identification, assessment and mitigation of risks across the Group;
- Ensures that appropriate resources, controls and mitigation strategies are in place; and
- Reports key risk exposures and control effectiveness to the Audit Committee and the Board.

Divisional Heads / Risk Owners
Divisional Heads' responsibilities include:

- Managing and monitoring risks within their respective functions;
- Implementing mitigation plans and ensuring the timely execution of corrective actions; and
- Reporting the status of risk treatment activities and emerging risks to Senior Management.

This cascading governance structure promotes clear lines of responsibility and accountability throughout the Group.

KEY RISK CATEGORIES IDENTIFIED

The Group's ERM review highlighted several key risk categories as summarized below: -

Operational Risks
Operational risks mainly relate to production efficiency, supply chain performance, and delivery reliability. These include delays in product development and mass production, delivery delays, equipment breakdowns, inventory issues, supplier reliability, and production inefficiencies.

Financial Risks
Financial risks include foreign currency fluctuations, investment returns, and accuracy of financial reporting. The Group is also exposed to insurance coverage risks and customer credit exposure.

Regulatory and Compliance Risks
The Group must comply with various laws and regulations, including Listing Requirements, product certification standards, HR regulations, safety and environmental requirements, and anti-corruption laws.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT (Cont'd)

KEY RISK CATEGORIES IDENTIFIED (Cont'd)

The Group's ERM review highlighted several key risk categories as summarized below: - (Cont'd)

Technological and Cybersecurity Risks
These risks include cybersecurity threats, IT system failures, data leakage, and reliance on outdated systems. The Group also faces risks from rapid technological changes and intellectual property matters.

Human Capital Risks
Human capital risks include challenges in attracting and retaining talent, payroll system issues, and succession planning.

Market and Business Risks
Market risks arise from competition, changes in customer demand, reliance on key customers, and potential loss of business opportunities.

The Board, with the support of Management, continues to monitor these risk categories through established ERM processes. The effectiveness and adequacy of mitigation measures and internal control mechanisms are reviewed regularly to ensure that risks are managed within acceptable levels and aligned with the Group's strategic objectives.

KEY RISK MANAGEMENT AND INTERNAL CONTROL PROCESS

The key elements of the Group's internal control system are described below:

- The Group has in place an organisation structure with clearly defined reporting lines aligned with business and operational requirements. The Group has set out clear roles and responsibilities, appropriate authority limits and approval procedure in order to enhance the decision-making process and the internal control system of the Group.

- The Board is kept updated on Group's activities, operations and significant changes to the business and external environment, if any, which may result in significant risks.

- The Audit Committee chaired by an Independent Non-Executive Director reviews the internal controls system and findings of the internal and external auditors.

- Policies and procedures for key processes are documented and communicated to employees for application across the Group. These are supplemented by operating procedures set by individual companies, as required for the type of business or geographical location of each company.

- A detailed budgeting process is established requiring all operating companies in the Group to prepare a budget annually. Actual performance as compared with the Budget is reviewed monthly and a detailed explanation of any major variances is documented.

- Regular review of the Annual Budget is undertaken by Management to identify, and where appropriate, to address significant variance from the Budget.

- Effective reporting system, which ensures the timely generation of financial information for Management's review has been put in place. Financial Results are reviewed quarterly by the Board and the Audit Committee to ensure the effectiveness and adequacy of the Group's internal control system in safeguarding the shareholders' investment and the Group's assets.

- Specific responsibilities have been delegated to the relevant Board Committees, which include the Audit Committee, Remuneration Committee and Nomination Committee. These committees have authority to examine all matters within their scope and report to the Board with their recommendations.

- Whistle Blowing Policy which outlines the Group's commitment towards enabling the employees and/ or stakeholders to raise concerns in confidence and disclose any malpractices or misconduct of which they become aware.

- Anti-Bribery and Corruption Policy which outlines the Group's zero-tolerance policy against all forms of bribery and corruption.

- Insurance and physical safeguards over major assets are in place to ensure that the assets of the Group are covered against any mishap that might result in material losses to the Group.

- The Group has in place continuous quality improvement initiatives to ensure accreditation such as ISO 9001:2015.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT (Cont'd)

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to KPMG Management & Risk Consulting Sdn. Bhd. ("KPMG MRC"), which reports directly to the Audit Committee. The internal audit function provides independent and objective assurance on the adequacy and effectiveness of selected areas of the Group's governance, risk management and internal control processes.

During the financial year under review, the Internal Audit function performed one (1) cycle of internal audit on Information Technology ("IT") general controls, covering the data security, cybersecurity, data backup and recovery as well as software licensing and IT asset management. The audit findings, recommendations and Management action plans were reported to the Audit Committee in May 2026.

The internal audit engagement by KPMG MRC is headed by an Executive Director, namely Mr. Chan Chee Keong, who is a professional member of ACCA and MIA as well as licensed auditor by Ministry of Finance ("MOF"). He currently leads the Risk Consulting Practice in KPMG Malaysia. He has accumulated more than 27 years of experience with extensive audit, accounting, due diligence exercises and consulting experience. He provides overall direction of the internal audit engagement and is responsible for all stages of the audit work and maintains contact with the management to ensure open communication is practised and all internal audit work is carried out effectively and on a timely manner.

All the personnel deployed by KPMG MRC are free from any relationships or conflicts of interest, which could impair their objectivity and independence during the course of the work.

There was a total of six (6) personnel who were deployed by KPMG MRC for the internal audit work during the financial year ended 31 March 2026. All the personnel possess tertiary qualifications, and the level of expertise and professionalism is as follows:

Expertise category	Number of auditors
Tertiary qualifications (i.e. bachelor's degree and/ or master's degree)	6 of 6
Professional membership/ qualification (i.e. ACCA, CIA, ISO27001:2022 & ISO42001:2023 Lead Auditor)	4 of 6

The internal audit work was carried out in accordance with a framework set by a recognised professional body i.e. International Professional Practices Framework ("IPPF") for Internal Auditing issued by Institute of Internal Auditors, of which final communication of internal audit plan, processes and results of the internal audit assessment are supported by sufficient, reliable and relevant information which signifies a satisfactory conclusion of the internal audit work.

During the financial year ended 31 March 2026, the total fee paid to KPMG MRC is RM55,000 (2025: RM55,000) excluding service tax and out of pocket expenses.

The internal audit function adopted the risk-based methodology in its review of key processes of the identified operating units in the Group and provided independent and objective reports on the state of internal control of the selected operating units within the Group direct to the Audit Committee. An internal audit plan setting out the proposed scope, extent and timing of internal audit work was developed and submitted to the Audit Committee for consideration and approval prior to commencement of the internal audit work.

The Internal Audit function also monitors and reports on the status of Management follow-up on the implementation of the Management action plans to improve areas where control deficiencies were noted during internal audit.

The Directors recognize that an independent audit function is essential in assisting the Board and Audit Committee to obtain reasonable assurance on the adequacy, integrity and effectiveness of the Group's internal control systems over the selected processes reviewed.

The Audit Committee reviews the adequacy of the scope, function, resources and competency of the internal auditors and assess their effectiveness in discharging their responsibilities. The Audit Committee and Management will continue to work closely with the outsourced internal audit function to review internal control issues to ensure that significant issues are brought to the attention of the Board.

RISK MANAGEMENT AND INTERNAL CONTROL STATEMENT (Cont'd)

COMMENTARY ON THE ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board has received assurance from the Chief Executive Officer and Group Financial Controller that the Group's risk management and internal control system has been operating adequately and effectively, in all material aspects, during the financial year under review and up to the date of this Statement. Based on this assurance, the input from external and internal auditors, as well as the Board's review, the Board is of the view that the risk management and internal control system is adequate to meet the needs of the Group in addressing financial, operational and compliance risks and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's annual report. Notwithstanding this, the Board and Senior Management remain committed to strengthening the Group's control environment and processes. On-going measures and appropriate action plans will be put in place to enhance the Group's system of internal control as and when necessary.

Pursuant to Paragraph 15.23 of the Listing Requirements, the external auditors have reviewed this Statement for inclusion in the Annual Report of the Group for the financial year ended 31 March 2026 and reported to the Board that nothing has come to their attention which caused them to believe that the Statement intended to be included in the Annual Report of the Company was not prepared, in all material respects, in accordance with the disclosures required by Paragraphs 41 and 42 of the Assurance Practice Guide 3, nor was it factually inaccurate. The review of this Statement by external auditors was performed in accordance with the scope set out in Audit and Assurance Practice Guide 3, "Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report", issued by the Malaysia Institute of Accountants.

This statement was approved at the Board of Directors' Meeting held on 29 June 2026.

SUSTAINABILITY STATEMENT

1.1 ABOUT THE SUSTAINABILITY STATEMENT

With over 37 years of experience in the motion sensor and sensor lighting industry, IQ-group continues to strengthen its sustainability journey through the publication of this enhanced Sustainability Statement (“the Statement”). This Statement provides a comprehensive overview of the Group’s sustainability performance across its business operations, reflecting our ongoing efforts to embed sustainability into our daily activities.

In FY25/26, we continued to align our initiatives with relevant Environmental, Social and Governance (ESG) standards, building on the strong foundation established in prior years. Our sustainability approach is guided by three key pillars—Better Society, Better Environment, and Better Business—which collectively support our long-term value creation strategy.

This Statement has been prepared in accordance with Practice Note 9 of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Main Market Listing Requirements, guided by the Sustainability Reporting Guidelines and Toolkits issued by Bursa Malaysia. Comparative data from previous financial years is disclosed, where applicable, to provide transparency and consistency.

1.2 REPORTING SCOPE AND BOUNDARIES

This statement provides an overview of our sustainability initiatives, accomplishments and performance for the financial year ended March 31, 2026 (FY25/26). During this reporting period, the scope is focused on the activities of IQ Group Holdings Berhad and IQ Group Sdn. Bhd., collectively referred to as the "IQ-group" or the "Group."

As part of our commitment to expanding and strengthening our sustainability practices, the Group has established a structured and comprehensive reporting framework. In adherence to the Bursa Sustainability Reporting Common Indicators and Sector-Specific reporting requirements, our FY25/26 sustainability statement and approach are aligned with the principles outlined in Practice Note 9 of Bursa Malaysia Securities Berhad's ("Bursa Malaysia") Main Market Listing Requirements. Furthermore, we have followed the Sustainability Reporting Guidelines and Toolkits issued by Bursa Malaysia to ensure clarity, consistency and accountability in our reporting process.

1.3 OUR SUSTAINABILITY ESG STRATEGY APPROACH

For more than 37 years, IQ-group has established itself as a global player in the design and manufacture of motion sensors, sensor lighting, and related security and convenience products. Our innovations continue to enhance the quality of life for our valued customers worldwide.

As we operate in an evolving business environment, we recognise that long-term success depends on balancing financial performance with environmental and social responsibilities. The Group remains committed to integrating sustainability into its business strategy by considering key economic, environmental, and social (EES) factors that influence our operations. Our approach is aligned with the United Nations Sustainable Development Goals (SDGs), reinforcing our commitment to sustainable development.

In FY25/26, our focus is on strengthening engagement with key stakeholders and ensuring the delivery of reliable products and services that meet customer expectations. This model serves as the foundation of our sustainability strategy.

We recognise that our operations have a direct and indirect impact on a wide range of stakeholders, including customers, employees, suppliers, shareholders, communities, and the environment. As such, sustainability considerations are embedded across our operations to ensure a balanced and inclusive approach to value creation.

As part of our social and environmental initiatives, the Group continues to promote responsible practices through internal program such as employee recycling initiatives. These programs focus on proper management of electronic, paper, and plastic waste, encouraging employee participation and fostering a culture of environmental responsibility.

To strengthen ESG integration and enhance stakeholder value, the Group has adopted a structured ESG Value Creation Model supports sustainable growth while delivering positive environmental and social outcomes across the value chain—from raw material sourcing and product design to manufacturing, distribution, and end-of-life management.

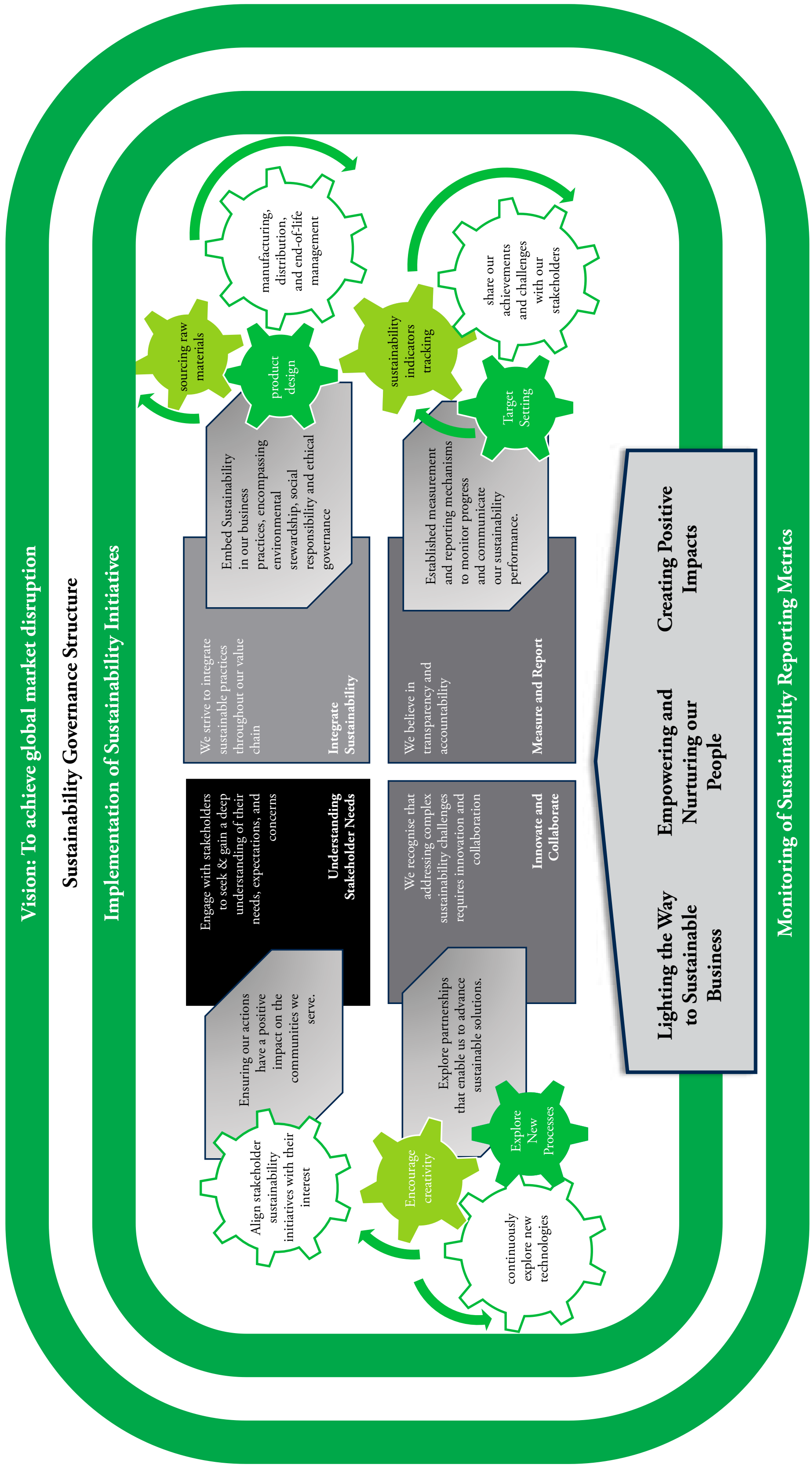
ESG Value Creation Model:

Key Pillar	Description
Understanding Stakeholder Needs	Engaging stakeholders to understand their expectations and ensure our actions create positive impact
Innovate and collaborate	Driving innovation and partnerships to develop sustainable solutions
Integrate Sustainability	Embedding ESG considerations across all business operations
Measure and Report	Ensuring transparent tracking and reporting of sustainability performance

SUSTAINABILITY STATEMENT (Cont'd)

1.3 OUR SUSTAINABILITY ESG STRATEGY APPROACH (Cont'd)

IQ-group ESG value creation model



SUSTAINABILITY STATEMENT (Cont'd)

1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Anti-corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	100	100	100	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Anti-corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	100	100	100	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Anti-corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical Staff	Percentage	100	100	100	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Anti-corruption	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - General Workers	Percentage	100	100	100	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Anti-corruption	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100	100	100	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Anti-corruption	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Community/Society	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	3000	3000	3000	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

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1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM (Cont'd)

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Community/Society	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	315	325	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - Management Male	Percentage	50	53.3	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - Management Female	Percentage	50	46.7	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - Executive Male	Percentage	53.2	51.2	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - Executive Female	Percentage	46.8	48.8	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - Non-executive/Technical Staff Male	Percentage	50	53.8	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - Non-executive/Technical Staff Female	Percentage	50	46.2	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - General Workers Male	Percentage	14.3	10	20	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by gender - General Workers Female	Percentage	85.7	90	80	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Management Under 30	Percentage	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

SUSTAINABILITY STATEMENT (Cont'd)

1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM (Cont'd)

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Bursa C3(a) Percentage of employees by age group - Management Between 30-50	Percentage	12	12	20	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Management Above 50	Percentage	88	88	80	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Executive Under 30	Percentage	6	5	20	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Executive Between 30-50	Percentage	60	58	50	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Executive Above 50	Percentage	34	37	30	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Non-executive/Technical Staff Under 30	Percentage	0	0	10	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Non-executive/Technical Staff Between 30-50	Percentage	56	46	60	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - Non-executive/Technical Staff Above 50	Percentage	44	54	30	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - General Workers Under 30	Percentage	10	10	20	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

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SUSTAINABILITY STATEMENT (Cont'd)

1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM (Cont'd)

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Diversity	Bursa C3(a) Percentage of employees by age group - General Workers Between 30-50	Percentage	24	30	40	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(a) Percentage of employees by age group - General Workers Above 50	Percentage	66	60	40	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(b) Percentage of directors by gender - Male	Percentage	67	67	70	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(b) Percentage of directors by gender - Female	Percentage	33	33	30	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(b) Percentage of directors by age group - Under 30	Percentage	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(b) Percentage of directors by age group - Between 30-50	Percentage	11	11	10	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Diversity	Bursa C3(b) Percentage of directors by age group - Above 50	Percentage	89	89	90	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Energy management	Bursa C4(a) Total energy consumption	Megajoule	1252307	769943	1304726	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026 2025 reported energy consumption was 347.86 Megawatt, equivalent to 1,252,307 Megajoule to align with the unit of measurement used for the 2026 disclosure.
Health and safety	Bursa C5(a) Number of work-related fatalities	Number	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

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SUSTAINABILITY STATEMENT (Cont'd)

1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM (Cont'd)

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Health and safety	Bursa C5(b) Lost Time Incident Rate ("LTIR")	Rate	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Health and safety	Bursa C5(c) Number of employees trained on health and safety standards	Number	116	104	104	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(a) Total hours of training by employee category - Management	Hours	431	500	408	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(a) Total hours of training by employee category - Executive	Hours	911	1314	1248	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(a) Total hours of training by employee category - Non-executive/Technical Staff	Hours	1440	702	768	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(a) Total hours of training by employee category - General Workers	Hours	6020	19589	576	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	8.62	4.81	15	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(c) Total number of employee turnover by employee category - Management	Number	1	1	1	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(c) Total number of employee turnover by employee category - Executive	Number	5	5	5	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

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SUSTAINABILITY STATEMENT (Cont'd)

1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM (Cont'd)

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Labour practices and standards	Bursa C6(c) Total number of employee turnover by employee category - Non-executive/Technical Staff	Number	1	4	1	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(c) Total number of employee turnover by employee category - General Workers	Number	2	4	2	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Labour practices and standards	Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Supply chain management	Bursa C7(a) Proportion of spending on local suppliers	Percentage	13.83	5.59	13	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Data privacy and security	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Water	Bursa C9(a) Total volume of water used	Megalitres	5.1	5.8	6.2	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Emissions management	Bursa C11(a) Scope 1 emissions in tonnes of CO2e	tCO2-e	1.38	2.03	2.03	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Emissions management	Bursa C11(b) Scope 2 emissions in tonnes of CO2e	tCO2-e	137	84	121	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Emissions management	Bursa C11 (c) Scope 3 Metric tonnes of carbon dioxide equivalent (tCO2e)	tCO2-e	132.54	213.31	213.31	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

SUSTAINABILITY STATEMENT (Cont'd)

1.4 OUR OVERALL PERFORMANCE FOR FY25/26 -BMLR PRESCRIBED TABLE REPORTED IN CSI SOLUTIONS PLATFORM (Cont'd)

IQ GROUP HOLDINGS BHD
IFRS S1

Date & Time: 2026-05-25_13:57:08
Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance	Remarks
Waste and recycling management	Bursa C10(a) Total waste generated	Metric tonnes	Not Applicable	10.97	32	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Waste and recycling management	Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	Not Applicable	10.7	30	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026
Waste and recycling management	Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	Not Applicable	0.267	2	No assurance	2025 - FYE 31 March 2025 2026 - FYE 31 March 2026

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SUSTAINABILITY STATEMENT (Cont'd)

Theme 1 :- LIGHTING THE WAY TO SUSTAINABLE BUSINESS

"As a global leader in the design and manufacturing operation of lighting, security and convenience products, we strive to create long-term value for our stakeholders by operating our business ethically and professionally, whilst continuously improving our business through innovation and process efficiency to deliver innovative and high-quality products."

Our Sustainability Matters	Targets	Our Performances
Customer health & safety/Product responsibility	Zero Incidents / Case	- Zero recall cases for health and safety related concerns - No incident of non-compliance with regulations or voluntary codes related to the health and safety.
Data Privacy and Security	Zero data breaches or losses	Since FY18/19, we recorded zero cases of data breaches or losses
Supply Chain Management	Proportion on Local Suppliers in FY25/26 - 13 %	For FY25/26, we achieved a local supplier spending ratio of 5.59%
Anti-corruption	a) Anti-corruption Training Completion Rate - 95% b) Percentage of operations assess for corruption risk - 100% c) Zero corruption incidents	a) 100% employees trained on Bursa anti-corruption b) 100% of operations assessed for corruption-related risks c) Zero reported incidents of corruption.

Theme 2 :- EMPOWERING AND NURTURING OUR PEOPLE

"To be an employer of choice, we are committed to providing and maintaining a safe and healthy workplace and enhancing our employees' skills and competencies through provision of conducive learning environment and platform."

Our Sustainability Matters	Targets	Our Performances
Diversity	a) Gender Diversity by Employee Category Male 50% / Female 50% b) Age Diversity by Employee Category i. Management under 30 – 0% ii. Management between 30 – 50 -20% iii. Management above 50 – 80% iv. Executive under 30 – 20% v. Executive between 30 – 50 – 50% vi. Executive above 50 – 30% vii. Non-Executive under 30 – 10% viii. Non-Executive between 30 – 50 – 60% ix. Non-Executive above 50 – 30% x. General Worker under 30 – 20% xi. General Worker between 30 – 50 – 40% xii. General Worker above 50 – 40% c) Directors – Gender Diversity Male 70% / Female 30% d) Director – Age Diversity i. Director under 30 – 0% ii. Director between 30-50 – 10% iii. Director above 50 – 90%	a) Gender Diversity by Employee Category Average Male 53.3 % / Female 46.7% b) Age Diversity by Employee Category i. Management under 30 – 0% ii. Management between 30 – 50 -12% iii. Management above 50 – 88% iv. Executive under 30 – 5% v. Executive between 30 – 50 – 58% vi. Executive above 50 – 37% vii. Non-Executive under 30 – 0% viii. Non-Executive between 30 – 50 – 46% ix. Non-Executive above 50 – 54% x. General Worker under 30 – 10% xi. General Worker between 30 – 50 – 30% xii. General Worker above 50 – 60% c) Directors – Gender Diversity – Male 67% / Female 33% d) Director – Age Diversity i. Director under 30 – 0% ii. Director between 30-50 – 11% iii. Director above 50 – 89%
Health and Safety	a) Zero work-related fatalities b) Zero LTIR c) 100 %	a) Zero work-related fatalities b) Zero lost time incident rate (LTIR). c) Total 100% employees trained on health and safety standards

SUSTAINABILITY STATEMENT (Cont'd)

Theme 2 :- EMPOWERING AND NURTURING OUR PEOPLE (Cont'd)

"To be an employer of choice, we are committed to providing and maintaining a safe and healthy workplace and enhancing our employees' skills and competencies through provision of conducive learning environment and platform." (Cont'd)

Our Sustainability Matters	Targets	Our Performances
Labour practices and standards	a) 3000 hours b) 15% employees that are contractors or temporary staff c) 9 employee turnover	a) Total 22,105 hours of training by employee category b) 4.81 % employees that are contractors or temporary staff c) Total 14 employee turnover
Community / Society	a) RM 3000 b) 50 beneficiaries	a) Total amount invested in the community RM3000 b) 325 beneficiaries of the investment in communities

Theme 3 :- CREATING POSITIVE IMPACTS

"As a socially responsible corporate citizen, we acknowledge our responsibility to minimise the environmental impacts arising from our business operations and the care of the community around us."

Our Sustainability Matters	Targets	Our Performances
Energy Management	Reducing electricity consumption by 20% for FY25/26	Achieved a 39% reduction in electricity consumptions from 1,252,307 Megajoules in FY24/25 to 769,943 Megajoules in FY25/26.
Waste Management	32 Metric Tonnes	Successfully achieve 66% reduction in non-hazardous and non-recycled waste to 10.97 metric tonnes versus the target of 32 metric tonnes and improving from 20 metric tonnes in the previous year.
Water	Reduced 3% water consumptions from 6.4 Megalitres to 6.2 Megalitres	Achieved a 7% reduction from 6.2 target to 5.8 Megalitres
Emissions Management	Scope 1 (company-owned vehicles) - 1.24 tCO2e in FY25/26 Scope 2 emissions – 20% reduction from purchased electricity from 302 tCO2e (over the past five years) to 242 tCO2e. Scope 3: Scope 3 (employee commuting and business travel) Reduce emissions from a baseline average of 125.89 tCO2e (FY23/24 and FY24/25) to 119 tCO2e in FY25/26	Based on FY25/26 data collection of 2.03 tCO2e, we have set 2.03 tCO2e as goal target for FY26/27 We have significantly outperformed our target of 121 tCO2e , achieving a 30.5% reduction to 84 tCO2e Based on data collection for FY25/26 we recorded 213.31 tCO2e, representing a 61% increase from 132.54 tCO2e in FY24/25.
Materials	minimum of 90% recycled fibre content	In FY25/26, a total of 1,380,132 units of corrugated packaging with at least 90% recycled content were utilised across our operations.

https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator#results

SUSTAINABILITY STATEMENT (Cont'd)

GOVERNANCE

2.1 Governance Structure

At IQ-group, we are committed to integrating sustainability into every part of our business. This effort is led by our Sustainability Working Group (SWG), which is headed by the appointed Sustainability Officer. The SWG is responsible for managing, coordinating, and overseeing all sustainability-related activities across the company.

We believe that strong governance is the foundation of good sustainability practices. That's why we formed the SWG in 2019 to provide clear direction in this area. As sustainability regulations and expectations have become more complex, we updated the roles and responsibilities of the SWG in 2023 to better meet the requirements of Bursa Malaysia's Sustainability Reporting Framework that includes following both the Common Indicators and Sector-Specific guidelines.

The SWG helps identify, prioritise, and manage important Environmental, Social, and Governance (ESG) topics that matter to IQ-group Malaysia. Using data and evidence, the Group sets clear and measurable goals, supports accountability, and drives continuous improvement. This ensures sustainability is a core part of how we run our business and plan for the future.

As outlined in our governance structure, the Board of Directors holds ultimate responsibility for the formulation of sustainability strategies, integrating environmental, social and governance considerations into business decisions and long-term planning. The Board also monitors and reviews the company's sustainability strategy to ensure its effectiveness and alignment with overall corporate objectives.

This process is actively supported by the Chief Executive Officer (CEO) / Managing Director (MD), who plays a key role in overseeing the execution of the company's sustainability initiatives and monitoring performance outcomes. In addition, the CEO/MD serves as a vital link between the Board and the SWG, providing regular updates on the progress and presenting sustainability disclosures for the Board's review and approval.

Our Sustainability Officer leads the SWG, which is composed of department heads from all major functions of our operations in Malaysia. This cross-functional team includes representatives from Research & Development (R&D), Production, Logistics, Business Development, Quality Assurance, Human Resources, Management Information Systems (MIS) and Finance. Together, they are responsible for implementing and monitoring sustainability initiatives at the operational level and ensuring the company's compliance with the reporting standards set by Bursa Malaysia.

SUSTAINABILITY STATEMENT (Cont'd)

2.2 SUSTAINABILITY CORPORATE POLICIES AND CODE OF CONDUCT

The Board of Directors recognises that a company's success is no longer measured solely by its financial performance, but increasingly by the broader impact it creates within society. In line with this understanding, IQ-group remains fully committed to embedding sustainability into its business practices, operational processes and workplace culture.

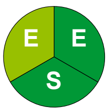
We are dedicated to maintaining a high standard of accountability and transparency in our sustainability performance, guided by the following core principles:

- Ensuring compliance with all applicable legislation, regulations and codes of practice;
- Integrating sustainability considerations into business decisions across all levels of the organisation;
- Promoting employee awareness and commitment to sustainability by embedding Environmental, Social and Governance (ESG) practices into our daily operations;
- Continuously striving to improve our sustainability performance.

Regulatory Compliance

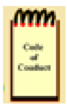
At IQ-group, we firmly believe that ethical conduct and regulatory compliance are fundamental to building and sustaining a reputable and resilient business. Our commitment to integrity, professionalism and fairness is reflected in every aspect of our operations and we expect all employees to uphold the Group's values by maintaining the highest standards of accountability and ethical behavior.

As illustrated in the diagram below, we have established comprehensive internal policies and procedures to ensure that our business operations and relationships with stakeholders are conducted in accordance with these standards. Full details of our policies can be accessed via our corporate website: http://iq-group.com/corporate-governance/



Sustainability Policy

With the increasing concern on sustainability, IQ-group has formulated a sustainability policy with the approval by the Board which guides our action in promoting sustainability in our business practices and business culture. Our policy includes our position on environmental, social (including health and safety) and governance aspects and ensures we comply with all the relevant regulations, integrate sustainability into our business and develop the appreciation of sustainability in our employees. Through this policy, we are able to improve our sustainability performance.



Code of Business Conduct and Ethics (the "Code")

The code serves as a fundamental guide for ethical and responsible behavior across all levels of the organisation. It outlines a wide range of policies and procedures such as prevention of abuse of power and authority, prohibition of insider trading, commitment to anti-corruption and anti-bribery measures, promotion of equal opportunity and a non-discriminatory work environment.

All employees, regardless of position or function, are expected to adhere fully to these standards, ensuring ethical integrity is upheld in all business activities and decisions.

As a testament to our strong ethical culture, we are proud to report that no cases of ethical misconduct or violations were recorded in FY25/26.

Whistle Blowing Policy

The Policy is designed to create a safe and transparent channel for employees and/or stakeholders to raise concerns about any suspected misconduct or unethical behavior. It encourages individuals to report such concerns in good faith and with the assurance that their identity will remain confidential and that they will be protected from retaliation, victimization, or discrimination.

The policy clearly outlines the reporting procedures, detailing the steps for disclosing suspected malpractice, to ensure concerns are addressed fairly, timely and appropriately.

For FY25/26, we are pleased to report that no whistle blowing cases were filed.

GOVERNANCE (Cont'd)

2.2 SUSTAINABILITY CORPORATE POLICIES AND CODE OF CONDUCT (Cont'd)

Confidentiality and Ethical Business Conduct

Operating in an innovative and competitive industry, IQ-group recognises the importance of safeguarding sensitive information, including customer data, proprietary product details and technical specifications. In accordance with our Code of Business Conduct and Ethics, all employees are required to sign a Non-Disclosure Agreement (NDA) to ensure strict confidentiality and uphold trust with all stakeholders.

Our commitment to regulatory compliance is further strengthened through regular internal audits to assess and monitor compliance practices, continuous awareness programs to keep employees informed about new and emerging regulations and standards and proactive engagement with external advisors and participation in regulatory training programs to ensure we remain aligned with the latest legal and compliance requirements.

It is noteworthy that there have been no cases of non-compliance or breaches in laws and regulations in the past ten years. We are committed to maintaining our high standards towards regulatory compliance.

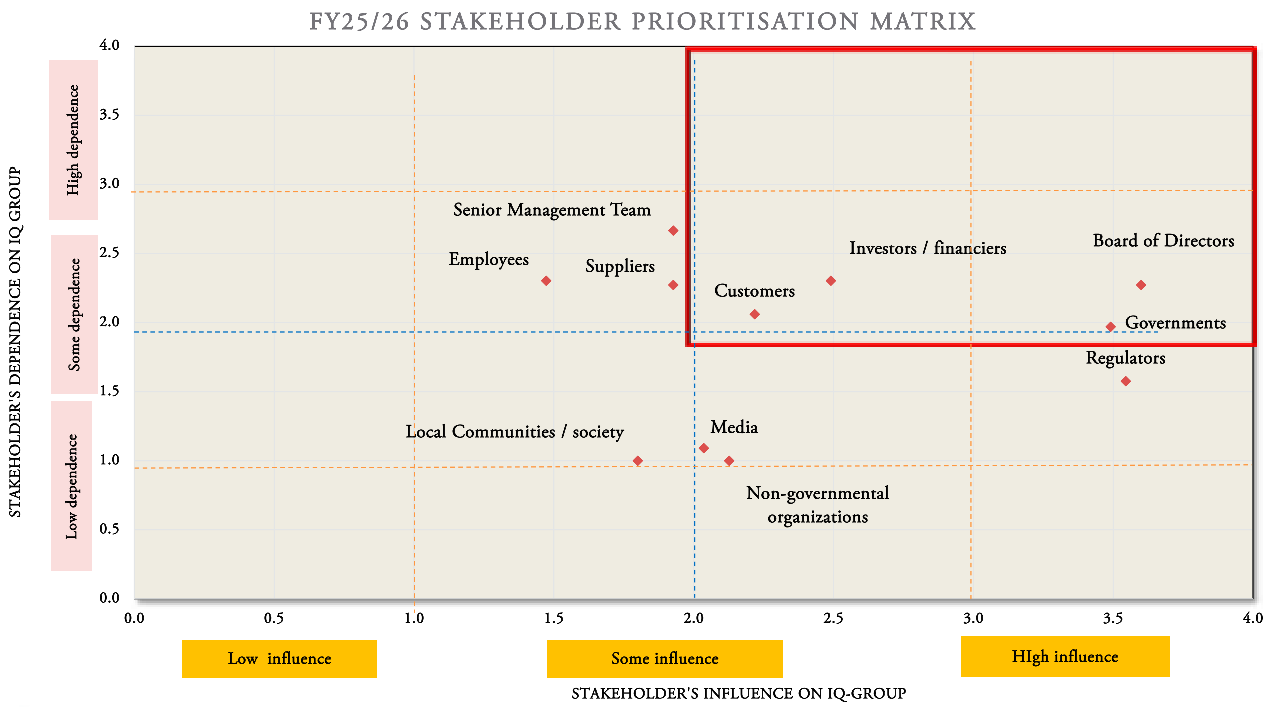
2.3 STAKEHOLDER ENGAGEMENT AND DIALOGUE

At IQ-group, stakeholder engagement is a key part of our commitment to strong Environmental, Social and Governance (ESG) practices. We recognise that both internal and external stakeholders play an important role in shaping our strategies, operations, and long-term growth.

Through regular engagement, we gain valuable insights to better understand stakeholders' needs, address their concerns, and meet their expectations. This approach promotes transparency, trust, and long-term collaboration.

By actively understanding stakeholder perspectives, we strengthen decision-making, respond to evolving expectations, and create long-term value for both stakeholders and the wider community.

Based on stakeholder assessment prioritisation approach established in FY23/24, Customers, Investors/Financiers, the Board of Directors, and Government Bodies are identified as key stakeholders with the highest influence and dependency, highlighting their critical role in shaping the Group's direction.



SUSTAINABILITY STATEMENT (Cont'd)

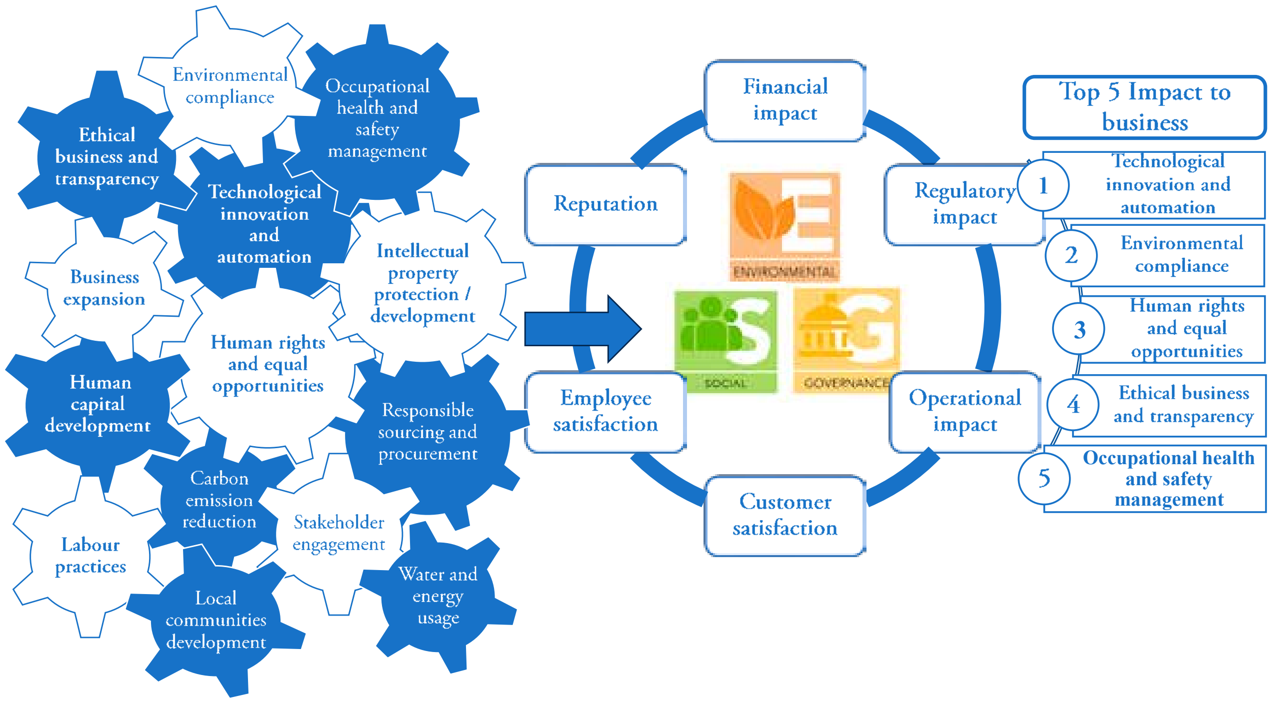
GOVERNANCE (Cont'd)

2.4 RISK MANAGEMENT AND COMPLIANCE

At IQ-group, we recognise that transparency and disclosure are fundamental to responsible business conduct and essential components of effective risk management. We believe that true accountability extends beyond financial performance and reflects the values and principles that shape the way we operate.

In line with this belief, IQ-group has adopted a holistic risk management approach by embedding the Environmental, Social and Governance (ESG) framework into our business strategy, while aligning our practices with the United Nations Sustainable Development Goals (SDGs). This integration not only strengthens our ability to identify, manage and mitigate risks across our operations, but also reinforces our commitment to ethical conduct, long-term resilience and stakeholder trust.

Diagram below indicate IQ-group top 5 risk assessment category



By upholding the principles of transparency, compliance and sustainability, IQ-group is dedicated to create lasting positive impact within the organisation and the broader community while contributing to a more sustainable future.

IQ-group's risk assessment framework identifies key areas that significantly impact business sustainability across Environmental, Social and Governance (ESG) dimensions. The process has highlighted the following Top 5 Risk Categories as having the greatest potential impact on financial performance, regulatory compliance, operational resilience and overall reputation:

1. Technological Innovation and Automation
   The ability to adopt and integrate advanced technologies is essential for maintaining competitiveness and operational efficiency.

2. Environmental Compliance
   Strict adherence to environmental laws and regulations is crucial for mitigating risks and long-term environment sustainability.

3. Human Rights and Equal Opportunities
   Upholding ethical labour practices and promoting inclusivity ensures fair treatment of all employees and stakeholders.

4. Ethical Business and Transparency
   Strong governance practices and business integrity help prevent misconduct and enhance stakeholder trust.

5. Occupational Health and Safety Management
   Maintaining a safe and healthy workplace safeguards employee well-being and minimises risk of operational disruptions.

This risk prioritisation reinforces the company's strategic focus on embedding sustainability into its core business practices, aligning stakeholder expectations and driving long-term value creation.

SUSTAINABILITY STATEMENT (Cont'd)

GOVERNANCE (Cont'd)

2.5 ESG STRATEGY

At IQ-group, strong Environmental, Social and Governance (ESG) practices are integral to delivering long-term value for our business and stakeholders. Our ESG strategy guides decision-making, ensuring responsible environmental management, social inclusion, and sound governance.

We are committed to transparent sustainability reporting by regularly disclosing our goals, initiatives, and performance. This enables stakeholders—including investors, customers, employees, communities, and regulators—to understand how we manage key ESG matters.

Beyond compliance, we view sustainability as a strategic priority. Through open communication, stakeholder engagement, and continuous improvement, we aim to strengthen our operations, contribute positively to society, and build a resilient, future-ready organisation.

2.6 MATERIALITY ASSESSMENT

In line with the Bursa Malaysia Sustainability Reporting Guidelines and Toolkits, we carried out a structured materiality assessment to identify and prioritise the sustainability topics most relevant to our business and stakeholders, through a three-step approach illustrated in the diagram below.

1 Identification of Sustainability Matters

Reviewed internal documents and conducted desktop research to identify key sustainability matters relevant to IQ-group on the sustainability disclosures by peer organisation and international voluntary reporting standards.

2 Prioritisation of Sustainability Matters

Workshop with management representatives to determine level of significance of each sustainability matter in terms of degree of impact and likelihood of occurrence, taking into consideration stakeholders' perspectives.

3 Approval of Materiality Matrix

The materiality matrix was presented and approved by the Board of Directors.

This process helps us to align our business priorities with stakeholder expectations, ensuring our sustainability efforts are focused on areas of greatest impact.

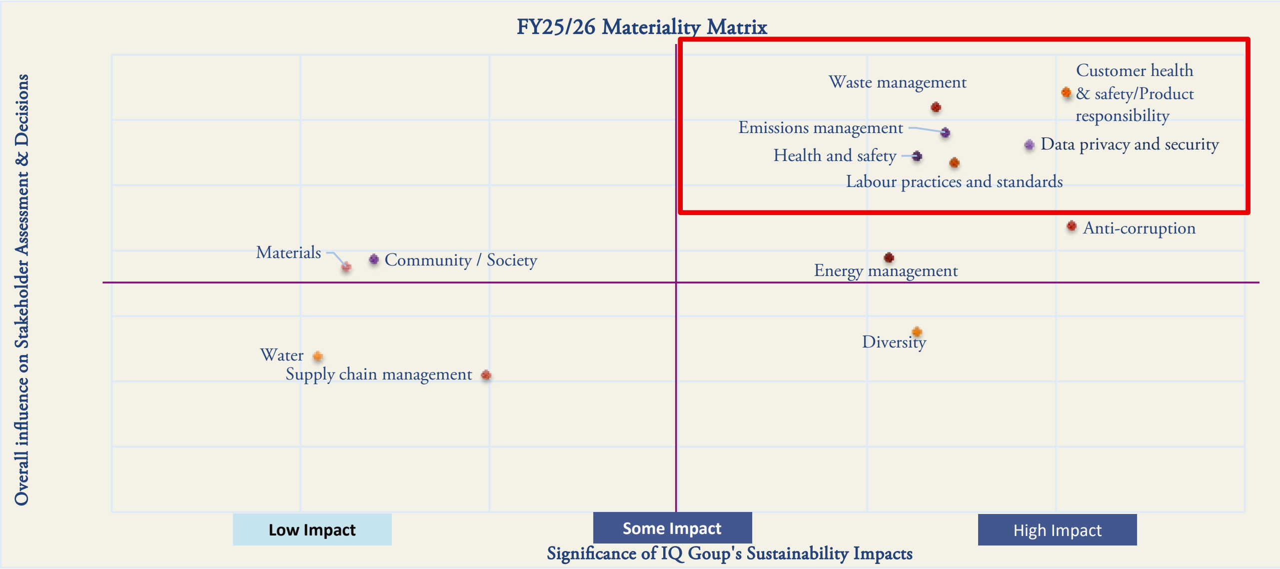
Our Materiality Matrix, adopting the indirect stakeholder engagement approach, gathering valuable insights through our management representatives. These representatives maintain regular contact with stakeholders through customer surveys, discussions, meetings, and daily communications. The insights collected were thoroughly reviewed and analysed to ensure a well-balanced perspective that reflects both stakeholder concerns and our business priorities.

The outcome of this assessment is reflected in our Materiality Matrix, which highlights the key issues identified and their significance to both our operations and stakeholder interests.

SUSTAINABILITY STATEMENT (Cont'd)

GOVERNANCE (Cont'd)

2.6 MATERIALITY ASSESSMENT (Cont'd)



Customer health & safety/Product responsibility, Data privacy and security, Waste management, Emissions management, Health & safety and Labour practice and standards have been identified as the top 6 material matters which are of high importance to our business and stakeholders. Table below shows the classification of all identified matters into themes and their contribution towards the advancement of SDGs. Our sustainability matters are categorised into three themes which are "Lighting the Way to Sustainable Business", "Empowering and Nurturing our People" and "Creating Positive Impacts".

The management has discussed and outlined these sustainability matters to manage and monitor IQ-group performance in the following sections of our Statement.

Themes	Mapping against EES aspects	Our Sustainability Matters	Contribution towards United Nation's SDGs
LIGHTING THE WAY TO SUSTAINABLE BUSINESS	Social	Customer health & safety/Product responsibility	
	Economic	Data Privacy and security	
		Supply Chain Management	
		Anti-corruption	
EMPOWERING AND NURTURING OUR PEOPLE	Social	Diversity	
		Health and Safety	
		Labour practices and standards	
		Community / Society	
CREATING POSITIVE IMPACTS	Environment	Energy Management	
		Waste Management	
		Water	
		Emissions Management	
		Materials	

SUSTAINABILITY STATEMENT (Cont'd)

ENVIRONMENTAL PERFORMANCE

3.1 ENERGY MANAGEMENT

Effective energy management is a key component of our sustainability strategy and supports our commitment to operational efficiency, innovation, and long-term business resilience. At IQ-group, we continuously pursue initiatives that reduce energy consumption while promoting the adoption of renewable energy solutions.

As part of these efforts, we collaborated with a local solar energy provider to implement solar power generation at our facilities. This initiative supports our transition toward cleaner energy sources and reduces our reliance on conventional electricity supply.

Recognising that air conditioning systems contribute significantly to overall energy consumption, we have also developed a structured maintenance and replacement plan. This plan outlines the gradual replacement of aging air-conditioning units with newer, energy-efficient models to improve energy performance across our operations.

Our energy management strategy prioritises the increased use of renewable energy as a key driver of long-term sustainability. The adoption of solar energy helps mitigate risks associated with energy price volatility, supply disruptions, and climate-related challenges, while enhancing the resilience of our operations.

To ensure transparency and effective monitoring, we report our energy performance in accordance with the Global Reporting Initiative (GRI) 302-1 disclosure framework, as required by Bursa Malaysia. This framework enables us to systematically track and manage energy consumption across the organisation.

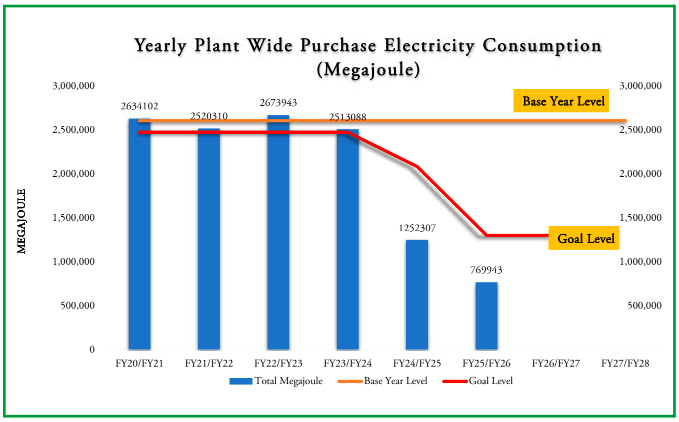
In FY23/24, we established a long-term target to reduce electricity consumption by 20% by FY25/26, based on a three-year average baseline of 2,609,452 Megajoules.

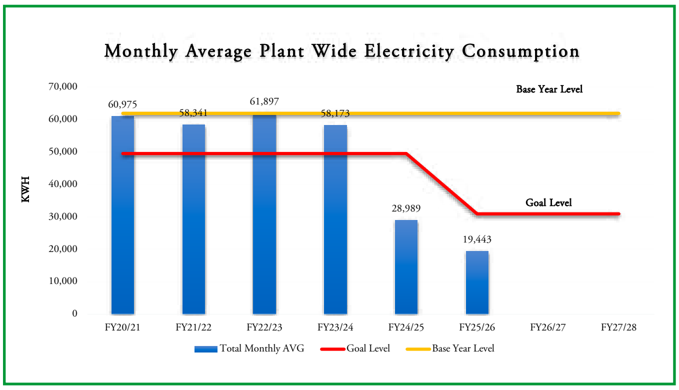
For FY24/25, we set an interim target of 2,087,561 Megajoules. With the implementation of renewable energy, replacing approximately 60% of our purchased electricity, we further set a reduced target of 1,304,726 Megajoules.

Following the first year of renewable energy implementation, we achieved a notable reduction in purchased energy consumption, decreasing from 1,252,307 Megajoules in FY24/25 to 769,943 Megajoules in FY25/26, representing a 39% reduction.

In addition, through the combined efforts of renewable energy adoption and operational efficiency measures — including switching off lights during lunch breaks, upgrading to energy-efficient air conditioning units, and maintaining stable indoor temperatures by keeping doors closed — we reduced our average monthly electricity consumption from 28,989 kWh in FY24/25 to 19,443 kWh, achieving a 33% reduction.

To reinforce sustainability across the organisation, we have also integrated Environmental, Social and Governance (ESG) performance into our annual employee appraisal system since FY22/23, assigning a 10% weightage to ESG-related initiatives to encourage continuous improvement and accountability.





3.2 WATER MANAGEMENT

As global demand for water continues to rise and climate change impacts water availability, responsible water use is becoming increasingly important.

At IQ-group, water usage in our operations is relatively low, as it is not required for manufacturing processes. Our water consumption mainly comes from employee use, facility cleaning, maintenance, and landscape watering. Despite this, we recognise water as a valuable and limited resource and are committed to using it responsibly.

To promote water conservation, the Group has implemented a Water Saving Tips Policy to raise employee awareness and encourage responsible usage. Practical initiatives include installing auto shut-off taps and promptly repairing any water leaks.

SUSTAINABILITY STATEMENT (Cont'd)

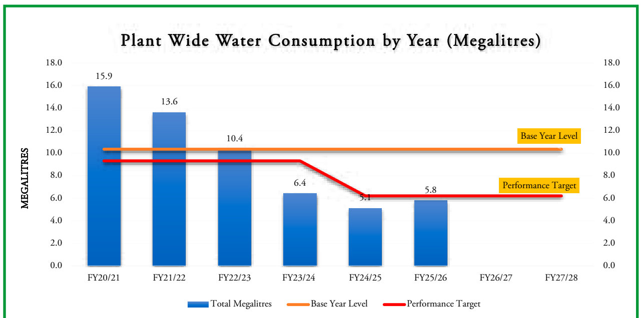
ENVIRONMENTAL PERFORMANCE (Cont'd)

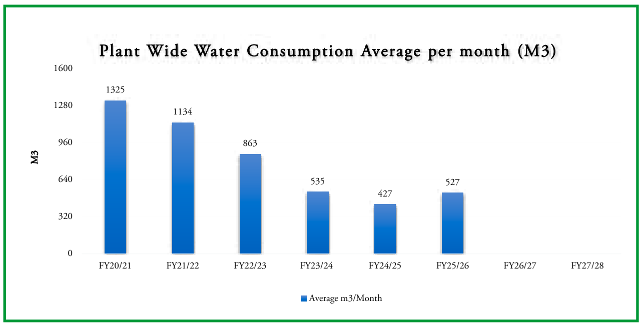
3.2 WATER MANAGEMENT (Cont'd)

Water consumption is monitored monthly based on utility bills and meter readings, enabling the Group to track usage trends and identify opportunities for continuous improvement.

Over the past six years, our water conservation efforts have produced positive results. Our average monthly water usage decreased from 1,325 m^3 in FY20/21 to 527 m^3 in FY25/26, representing a 60% reduction.

In FY23/24, we set a target to reduce our annual water usage by 3%, aiming to lower consumption from 6.4 Megalitres to 6.2 Megalitres. Through our combined efforts and operational improvements, we exceeded this target by achieving a 7% reduction.





To strengthen our commitment to sustainability, Environmental, Social, and Governance (ESG) initiatives have been included in our employee performance appraisal system since FY22/23, with 10% of the evaluation linked to ESG performance. Our Facility Management team continues to monitor water usage monthly to ensure ongoing improvement and responsible water management.

3.3 WASTE AND RECYCLING MANAGEMENT

Commitment to Responsible Waste Management

We are committed to effective waste management to minimise environmental impact, including pollution, habitat degradation, and resource depletion. In compliance with regulatory requirements, we collaborate with certified waste collection services to ensure responsible disposal, maximise recycling, and reduce reliance on virgin raw materials.

To comply with the Department of Environment (DOE) regulations, we have integrated a waste monitoring indicator into our Balanced Scorecard (BSC) review process. Our waste management practices adhered to the Malaysia Environmental Quality Act 1974 [Act 127] and Scheduled Wastes Regulations 2005. We ensure timely reporting through the DOE electronic Scheduled Waste Information System (eSWIS).

Recycling Practices and Oversight

IQ-group is dedicated to recycling both hazardous and non-hazardous wastes through appropriate, regulated channels. The Scrap Committee oversees our recycling initiatives, conducting tender and scrapping activities. Understanding the environmental risks of hazardous waste, materials such as solder dross and electronic waste are sold to licensed contractors for recycling.

Given our use of chemicals in operations, we recognise the potential environmental risks if waste is improperly managed. In order to mitigate these risks, we have implemented comprehensive procedures, including the "Work Procedure on Waste Handling," "Emergency Preparedness and Response," and "Scheduled Waste/Chemical Handling Work Instructions," ensuring responsible and safe waste disposal practices.

ENVIRONMENTAL PERFORMANCE (Cont'd)

3.3 WASTE AND RECYCLING MANAGEMENT (Cont'd)

Performance Highlights

Reducing Non-Hazardous Production Waste

In our commitment to lean manufacturing, we set a target to reduce production-related non-hazardous material waste from 35.9 metric tonnes to 32 metric tonnes. Through process optimization and improvement in product packaging material handling practices, we achieved 10.97 metric tonnes of non-hazardous waste or 66% reduction in waste. Main contributions came from disposition of paper/carton boxes, totaling 8.22 tonnes.

These initiatives, integrated within our broader sustainability and risk management framework, reinforce IQ-group's commitment to environmental stewardship, regulatory compliance and responsible resource utilisation across all operations.

Waste Disclosure and Evaluation

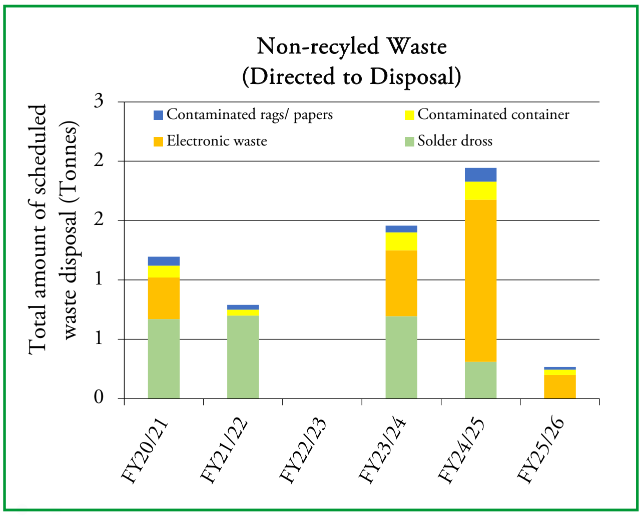
In order to enhance our waste management efforts, we expanded our waste diversion scope to include rubber, glass, paper, carton boxes and production-related waste. This expanded scope resulted in a revised average base year level of 36 metric tonnes, reduced to 28 metric tonnes. Our compliance measures are fully aligned with Bursa Malaysia's requirements, ensuring full adherence to regulatory expectations and supporting our sustainability objectives.

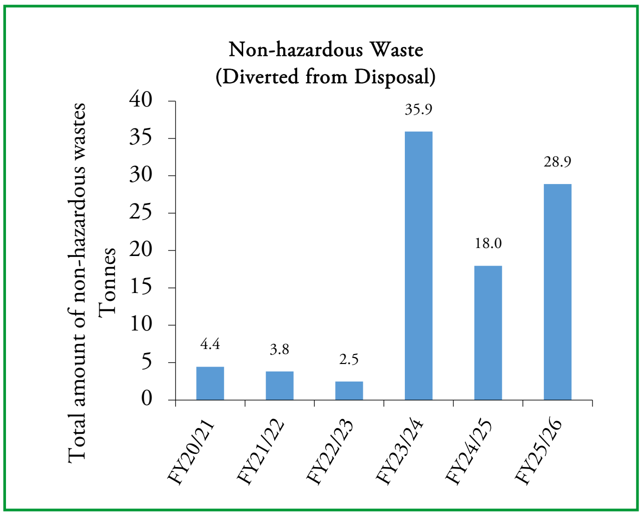
Our waste management approach involves reviewing historical data on non-recycled and scheduled waste disposal and analyzing non-hazardous waste diverted from disposal through reuse, recycling, or recovery operations. We also assess incoming packaging materials and machine-generated waste to identify improvement areas for waste reduction.

IQ-group remains steadfast in advancing sustainable waste management practices, contributing to long-term environmental sustainability and operational excellence.

Since FY23/24, we have broadened the "Diverted from Disposal" category to include rubber, glass, paper, carton boxes and production-related waste.

Total Waste	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	FY25/26 Target	Next FY 26/27 Target
Metric Tonnes	5	3	35.9	17.96	10.97	32	15
Disclosure of waste	aluminum, plastic, metal		included rubber, Glass, paper & carton boxes, production related waste				





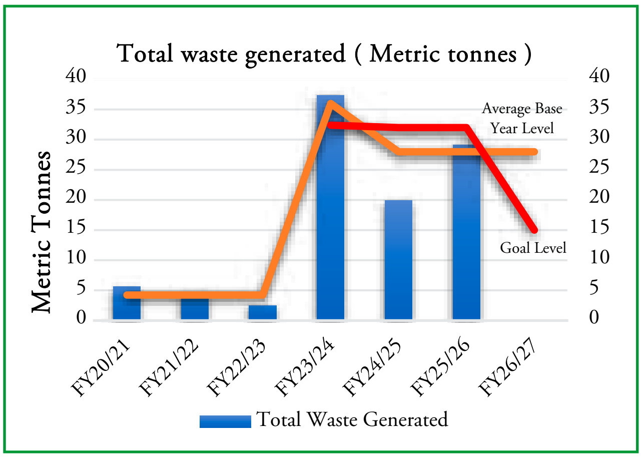
SUSTAINABILITY STATEMENT (Cont'd)

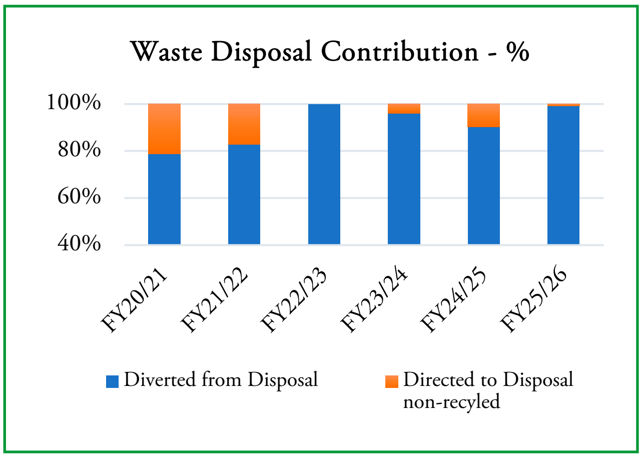
ENVIRONMENTAL PERFORMANCE (Cont'd)

3.3 WASTE AND RECYCLING MANAGEMENT (Cont'd)

Waste Disclosure and Evaluation (Cont'd)

In FY23/24, we generated 35.9 tonnes of non-recycled and non-hazardous waste designated for recycling. We have reduced our target from 32 tonnes in FY23/24 to 15 tonnes in FY26/27. This is a 53.1% reduction target over the four financial years (FY23/24 to FY26/27).





Future Performance Target (FY 26/27)

For the upcoming reporting period, IQ-group has set a new waste diversion target of 15 tonnes. To ensure a more accurate and relevant performance assessment, baseline data has been updated to reference a three financial years, based on figures from FY23/24 to FY25/26. This adjustment enhances the comprehensiveness of waste management reporting while supporting regulatory compliance and driving continuous improvement in waste diversion efforts.

By implementing these refinements, IQ-group strengthens its commitment to sustainable waste management, contributing to long-term environmental responsibility and resource efficiency.

Regulatory Compliance and Waste Storage

IQ-group maintains a strict zero-tolerance approach to regulatory non-compliance and fully adheres to the requirements set by the Department of Environment (DOE). We ensure timely monthly reporting and proper disposal of scheduled and non-recycled waste, in line with the prescribed 20-tonne limit. Designated storage areas are provided to ensure safe handling of waste and to protect employee health and safety.

To comply with DOE waste declaration requirements, waste monitoring indicators are incorporated into the Group's Monthly Operations Balanced Scorecard (BSC) review process. This aligns with the Environmental Quality (Scheduled Wastes) Regulations 2005 [P.U.(A) 294/2005]], enacted under the Environmental Quality Act 1974.

Since FY16/17, the Group has recorded zero environmental fines and penalties, reflecting strong regulatory compliance.

We continue to promote responsible waste management and a recycling culture by providing recycling facilities across our operations. These initiatives support ongoing efforts in waste reduction, reuse, and recycling.

Return to suppliers / vendors

Reduction of PE

SUSTAINABILITY STATEMENT (Cont'd)

ENVIRONMENTAL PERFORMANCE (Cont'd)

3.4 EMISSIONS MANAGEMENT

As a manufacturing organisation, IQ-group recognises its responsibility to minimise the environmental impact of its operations and is committed to effective emissions management.

Commitment to Managing Scope 1, 2 and 3 Emissions

Reducing energy consumption and emissions is a key priority for the Group. Guided by our Environmental Policy, we integrate environmental considerations into operational decisions, identify opportunities to reduce environmental impact, and conduct regular assessments to ensure compliance with applicable standards.

Environmental Performance and Compliance

The Group adheres to the ISO 14001:2015 Environmental Management System, supported by internal controls and regulatory requirements. We maintain close engagement with the Department of Environment (DOE) to ensure ongoing compliance and continuous improvement. Notably, the Group has recorded zero environmental fines or penalties over the past eleven financial years.

Key Initiatives and Achievements

Scope 2 Emissions Management

- **Energy Efficiency Initiatives**
  Motion sensor lighting and control systems have been installed across operational areas to optimise energy use by reducing unnecessary lighting consumption.

- **Solar Energy Adoption**
  The Group has successfully implemented solar panel systems, achieved its target of replacing 60% of purchased electricity with renewable energy ahead of schedule.

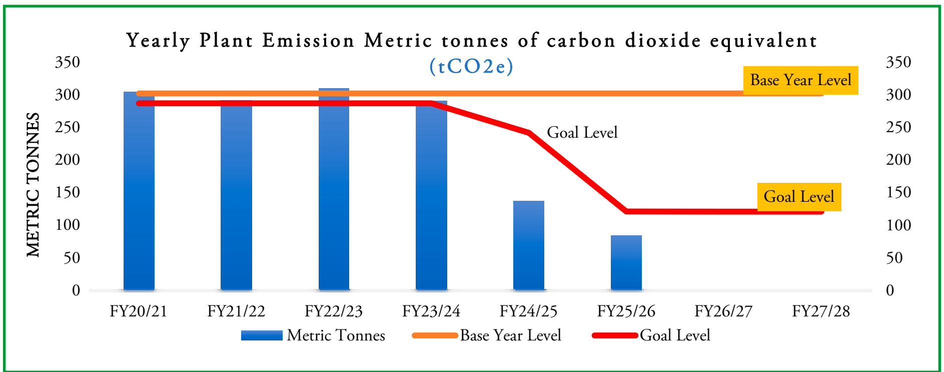
- **Performance Improvement**
  Electricity consumption decreased by 69.4%, from 698,080 kWh in FY23/24 to 213,873 kWh in FY25/26, mainly driven by solar energy integration.

Purchased Electricity	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26
Total kWh	731,695	700,086	742,762	698,080	347,863	213,873

- **Carbon Footprint Reduction:**
  In FY25/26, our primary focus is on reducing CO2e equivalent emissions by 20%, aiming to lower the average emissions from 302 tCO2e (FY20/21- FY22/23) to a goal level of 121 tCO2e in FY25/26. We have significantly outperformed this target, achieving a 72% reduction to 84 tCO2e.

Total Metric tonnes of carbon dioxide equivalent (tCO2e)	FY20/21	FY21/22	FY22/23	FY23/24 Actual	FY24/25 Actual	Current FY25/26 Actual	FY25/26 Target
Metric Tonnes	305	292	310	291	137	84	121

In our pursuit of sustained performance, we rely on progressive tracking and analysis of data to monitor energy consumption closely. The graph illustrated our achievement in carbon emissions from electricity consumption over a six-year period.



Note: As per Bursa Malaysia Sustainability Guide 3rd Edition Scope 2 emissions in tonnes of CO2e are indirect GHG emissions arising from the generation of purchased electricity consumed by the company. Companies may also make use of GHG Protocol's GHG emissions calculator accessible via https://ghgprotocol.org/ghg-emissions-calculation-tool source :-https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator

SUSTAINABILITY STATEMENT (Cont'd)

ENVIRONMENTAL PERFORMANCE (Cont'd)

3.4 EMISSIONS MANAGEMENT (Cont'd)

Key Initiatives and Achievements (Cont'd)

Air Emission Control and Monitoring:

- We have maintained compliance with air emissions levels for Local Exhaust Ventilation (LEV) systems through inspections and testing of hoods, ducting, air cleaners, fans and chimneys. These systems, which manage soldering fumes, maintain exhaust compliance with the American Conference of Governmental Industrial Hygienists (ACGIH) standards, ensuring hood face velocities of 100–200 fpm and duct transport velocities of 2000–2500 fpm.
- The air emission monitoring was conducted on Particulate Matter, Antimony, Arsenic, Cadmium, Copper, Lead, Mercury, Tin, Zinc, Isopropyl Alcohol (IPA) and Dark Smoke Observation. All monitored parameters were monitored in accordance with the Written Approval, AK(CR/86/2012), Environmental Quality (Clean Air) Regulations 1978 and Environmental Quality (Clean Air) Regulations 2014.

IQ-group remains dedicated to advancing sustainable practices, continuously seeking innovative solutions to enhance energy efficiency and reduce environmental impacts. Our proactive approach underlines our long-term commitment to responsible manufacturing and environmental stewardship.

Managing Scope 1 and Scope 3 Emissions

Why It Matters

Greenhouse gas emissions from Scope 1 (company-owned vehicles) and Scope 3 (employee commuting and business travel) form a significant portion of IQ-group's indirect carbon footprint. As an organisation with a global presence—including offices and manufacturing facilities across several countries—frequent business travel and daily commuting are essential to our operations. However, they also contribute substantially to our overall CO2e emissions.

Employee commuting and business travel are significant components of IQ-group's indirect greenhouse gas emissions. These activities contribute to the company's overall carbon footprint, especially given our predominantly office-based working model and the presence of multiple business operation offices and manufacturing plants across various countries. As a result, regular business travel is essential to facilitate effective coordination, oversight, and collaboration across regions, which significantly contributes to IQ-group's Scope 3 emissions.

In addition to employee commuting, IQ-group also tracks emissions from company vehicles. The company currently operates two vehicles that are used for business travel purposes, and their associated emissions are included in our overall reporting to ensure a comprehensive understanding of our environmental impact.

Tracking these emissions also supports broader sustainability objectives by improving transparency, enhancing ESG performance, and ensuring alignment with international reporting standards. It reflects IQ-group's commitment to responsible environmental stewardship, helping to meet stakeholder expectations and strengthen corporate reputation.

Our Strategy

IQ-group is collecting the data on employee commuting and business travel to gain a more comprehensive understanding of its environmental impact. This insight enables IQ-group to identify opportunities for reducing emissions. For example, our company has implemented flexible work arrangements that enable employees to adopt a hybrid working model. Employees whose roles permit remote work are allowed to work from home, with a minimum requirement of two days in the office. By reducing the frequency of commuting, this approach helps lower overall CO_2 emissions associated with employee travel.

In addition, IQ-group encourages employees to prioritize virtual or online meetings over on-site visits whenever possible. This practice further contributes to reducing business travel-related emissions, supporting the organisation's broader sustainability goals.

ENVIRONMENTAL PERFORMANCE (Cont'd)

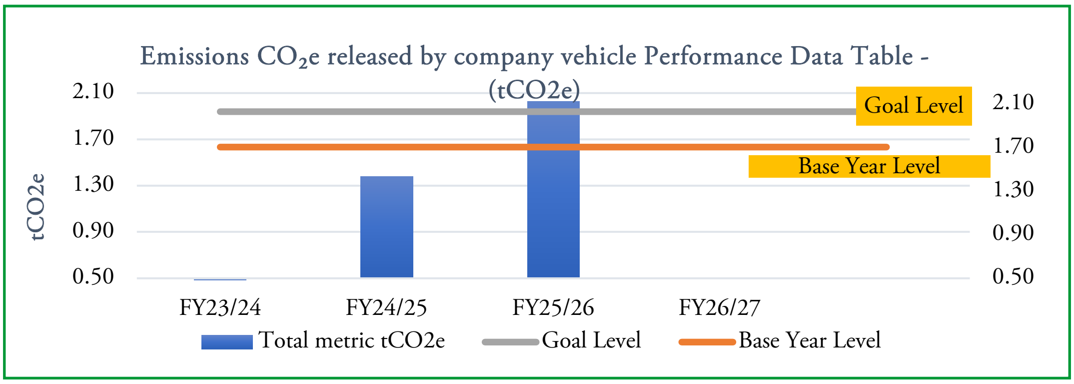
3.4 EMISSIONS MANAGEMENT (Cont'd)

Managing Scope 1 and Scope 3 Emissions (Cont'd)

Our Performance

Scope 1 (company-owned vehicles)

In FY25/26, emissions from company vehicle commuting increased to 2.03 tCO2e, compared to 1.38 tCO2e recorded in FY24/25. For FY26/27, we will adopt FY25/26 performance as the baseline, taking into account the anticipated increases in company vehicle commuting in line with current operational requirements.

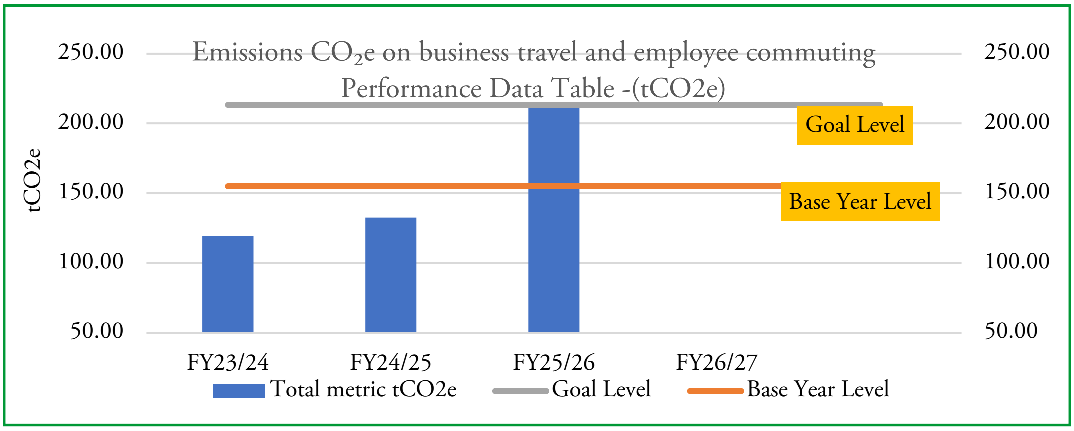


Scope 3: Scope 3 (employee commuting and business travel)

In FY25/26, total emissions increased to 213.31 tCO2e. This was mainly driven by business travel emissions, which rose from 46.74 tCO2e in FY24/25 to 131.54 tCO2e in FY25/26.

In contrast, commuting emissions decreased to 81.77 tCO2e. For FY26/27, the Group has set a target of 213.31 tCO_2e, taking into consideration current operational requirements and anticipated business activities.

While we remain committed to progressively reducing emissions, a higher level of business travel is expected in the coming year, as such travel remains necessary to support business operations.



Ongoing Commitment and Future Goals

IQ-group is committed to reducing emissions over time. Strategies to manage and mitigate emissions include:

- Implementing flexible work arrangements and hybrid working models
- Encouraging remote work where feasible
- Promoting the use of online meetings instead of on-site travel

SUSTAINABILITY STATEMENT (Cont'd)

ENVIRONMENTAL PERFORMANCE (Cont'd)

3.4 EMISSIONS MANAGEMENT (Cont'd)

Managing Scope 1 and Scope 3 Emissions (Cont'd)

Ongoing Commitment and Future Goals (Cont'd)

IQ-group is actively working towards achieving net-zero emissions and will continue to monitor and refine these initiatives to meet this goal.

Target setting for next two financial years from FY26/27 to FY27/28	Current FY25/26	Goal Target – FY26/27 To FY27/28
Scope 1: Based on the data collected for FY25/26	**2.03 tCO2e**	**2.03 tCO2e**
Scope 3: Based on 2 years of data collected in FY24/25 and FY25/26.	average base year level of **155.03 tCO2e**	**213.31 tCO2e**

Our progress will be monitored regularly and our strategies will be continuously refined to ensure continued alignment with international climate goals and global best practices.

3.5 MATERIALS

Design and Development of Packaging Material

At IQ-group, we recognise that packaging is essential for protecting and delivering our products, but it also carries environmental responsibility. We are committed to minimising our packaging footprint by reducing material use, conserving natural resources, and supporting the transition towards a circular economy. Sustainability is embedded across our entire packaging lifecycle — from design and material selection to waste management.

Environmental Impact

- **Waste Reduction**
  Conventional packaging, particularly plastics, contributes significantly to landfill and marine pollution. We priorities recyclable and fiber-based materials to reduce waste generation.
- **Resource Conservation**
  By increasing the use of recycled content and renewable materials, we reduce reliance on virgin resources such as wood pulp and fossil-based plastics.
- **Climate Action**
  We aim to lower lifecycle carbon emissions through lightweighting, material reduction, and improved logistics efficiency.

Social Responsibility

- **Rising of Consumer Expectations**
  Customers increasingly expect environmentally responsible packaging solutions.
- **Brand Trust**
  Sustainable packaging strengthens our reputation and reinforces long-term customer confidence.

Economic Value

- **Operational Efficiency**
  Optimised packaging reduces material consumption, transportation costs, and waste handling expenses.

Our Performance

In FY25/26, we have made measurable progress in reducing packaging-related environmental impact:

- Implemented laser engraving on product rating, avoided 1,171,661 pieces of rating label waste, contributing to overall waste reduction
- Avoided 70,558 units of printed manuals helps reduce paper consumption, minimises environmental impact.
- Eliminated 1,186,457 PE bags, significantly reducing plastic consumption

These initiatives demonstrate our commitment to reducing material usage and advancing sustainable packaging solutions in collaboration with our customers.

SUSTAINABILITY STATEMENT (Cont'd)

ENVIRONMENTAL PERFORMANCE (Cont'd)

3.5 MATERIALS (Cont'd)

Targets and Achievements

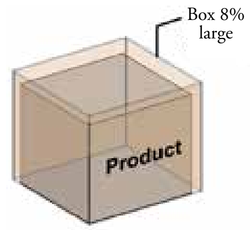
ESG Packaging Goals

We have established clear ESG packaging targets to drive continuous improvement:

Recyclability: • Achieve 100% recyclable packaging across all product lines • Increase the proportion of recycled content in packaging materials	**Plastic Waste Reduction:** • Phase out or significantly reduce virgin plastic, especially PE bags, by 2030 • Transition to paper-based and explore cellulose-based alternatives
Sustainable Sourcing: • Ensure 90% of paper packaging is sourced from FSC-certified materials by 2030 FSC	**Waste Reduction & Consumer Education:** • Minimise packaging waste throughout the supply chain • Enhance disposal guidance through clear recycling labels and symbols

Progress Toward Our Targets

Packaging design innovation remains a key driver in achieving our sustainability targets. We continue to apply right-sizing principles to optimise packaging dimensions, reducing material consumption and improving transport efficiency. In parallel, lightweighting initiatives are systematically implemented to enhance material efficiency while maintaining product protection and performance standards.



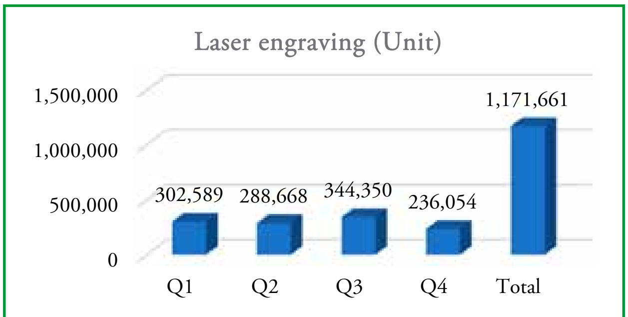
As part of our New Product Development (NPD) process, strict packaging design guidelines are enforced to minimise excess space. Our internal benchmark ensures that packaging volume does not exceed 20% above product size, supporting both material reduction and logistics optimisation.

In FY25/26, we further improved our performance, achieving an average packaging size of only 8% above product dimensions for NPD products. This reflects our continued commitment to precision design, reduced material usage, and lower carbon impact across the value chain.

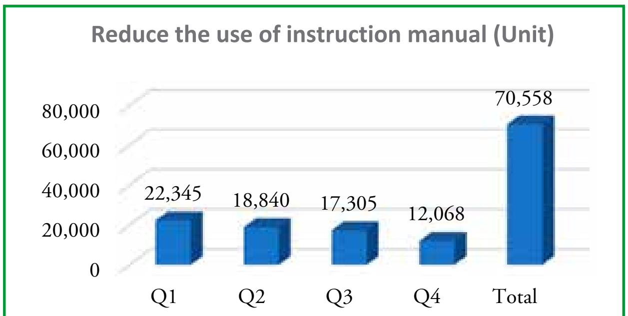
Additional highlights includes:

Laser Engraving Expansion:
Laser engraving was expanded to a broader customer base in FY25/26, increase laser engraving capacity from approx. 800,000 unit (FY24/25) to over 1,000,000 unit (FY25/26), resulting in the elimination of 1,171,661 rating labels and approximately 650,000 square meters of label material waste.

This initiative significantly reduced material consumption and supported our waste reduction goals. We will continue to scale this approach across future product models to further enhance sustainability performance.



Digitalization of Product Manuals:
Although most customers still prefer printed manuals for convenience, we actively encourage the adoption of digital manuals whenever feasible. The elimination of printed instruction manuals currently accounts for less than 5% of total production volume. However, in FY25/26, we have successfully eliminated 70,558 units of printed manuals. We are actively working to increase this adoption rate, with a target of achieving 10% by 2030 as part of our sustainability roadmap.



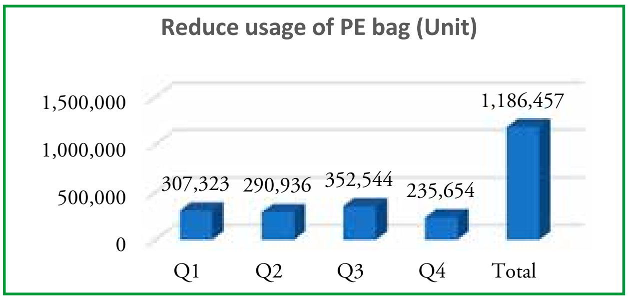
SUSTAINABILITY STATEMENT (Cont'd)

ENVIRONMENTAL PERFORMANCE (Cont'd)

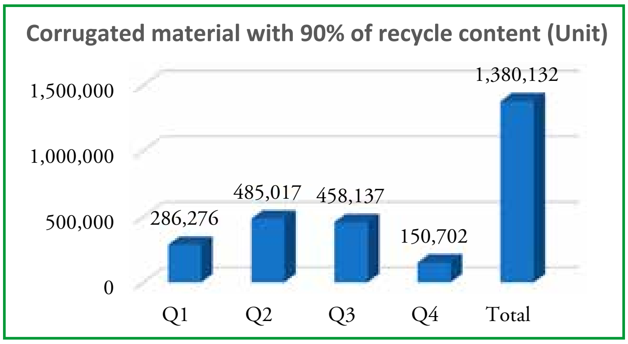
3.5 MATERIALS (Cont'd)

Targets and Achievements (Cont'd)

PE Bag Elimination:
The elimination of PE bags has also been further strengthened in FY25/26 across new product development (NPD) projects. This initiative will continue to be prioritised for all future models in FY25/26 and beyond, supporting our commitment to reducing plastic waste and transitioning towards more sustainable packaging solutions.



Recycled Content Adoption:
In FY25/26, a total of 1,380,132 units of corrugated packaging with at least 90% recycled content were utilised across our operations. This reflects our ongoing commitment to reducing reliance on virgin materials and supporting a more circular use of resources.



The use of sustainable materials remains a top priority for our organisation. To achieve this, we actively collaborate with our suppliers to drive the adoption of more environmentally responsible materials. Wherever feasible, we prioritise recycled content, such as corrugated packaging with a minimum of 90% recycled fibre content.

Continuous Improvement

We fully comply with all applicable environmental regulations and are committed to continuous improvement. Our packaging strategy is regularly reviewed and updated to incorporate the latest innovations in sustainable materials, technologies, and industry best practices, ensuring we consistently reduce environmental impact while maintaining product quality.

SOCIAL IMPACT

4.1 ANTI-CORRUPTION

Corruption remains a critical threat not only to societal well-being but also to the long-term sustainability and growth of business organisations. It erodes trust, damages corporate reputations, and can result in severe financial losses and the withdrawal of investor confidence. Upholding the principles of ethics and integrity is essential in creating fair and equitable value for all stakeholders. At IQ-group, we recognise both a moral duty and a business responsibility to safeguard our operations from any form of corrupt or unethical conduct.

Break the chain

Anti-Bribery and Corruption Policy

IQ-group has adopted zero-tolerance policy against all forms of bribery and corruption.
The objective of this policy is to set out the responsibilities in observing and upholding IQ-group's position on bribery and corruption. It also provides information and guidance to employees on how to recognise and deal with potential bribery and corruption issues.

In response to the introduction of the Corporate Liability provision under Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act, effective June 1, 2020, IQ-group conducted a comprehensive review and gap analysis of its risk management framework. This review ensures our governance structures include adequate safeguards against corporate liability exposure.

SOCIAL IMPACT (Cont'd)

4.1 ANTI-CORRUPTION (Cont'd)

We have since established policies, processes and risk assessment measures aligned with the MACC Act, aimed at building robust defenses against corruption-related risks and preventing the facilitation of unethical conduct.

Further improvements have also been integrated into our procurement processes to ensure alignment with both ISO9001:2015 standards and the MACC Act. These improvements directly address the requirements outlined in Article 26 of the United Nations Convention against Corruption.

Strengthening Awareness and Compliance

To reinforce our anti-corruption culture, we have implemented the following internal initiatives:

- Anti-corruption guidelines and disciplinary procedures are embedded in our Employee Handbook, supported by thorough induction briefings for all new hires.
- Mandatory annual anti-corruption training is provided to all employees, supplemented by regular awareness sessions. Employees are required to achieve a 100% pass rate on the annual online assessment, except in cases where literacy barriers prevent completion.

Performance Highlights (as of March 31, 2026)

- Zero reported cases related to corruption.
- No confirmed incidents of corruption.
- No employee disciplinary actions or dismissals related to violations of the anti-corruption policy.
- No fines, penalties, or settlements due to corruption.
- No political contributions were made.
- No facilitation payments were recorded.

(a) Anti-Corruption Training

As part of our unwavering commitment to ethical practices and a corruption-free workplace, we conduct regular anti-corruption training for all employees across all job categories.

The Percentage of employees who have completed the anti- corruption training is as shown below:

Employee Category	Training Completion Rate	Training Completion Rate	Training Completion Rate
	FY23/24	FY24/25	FY25/26
Management (Band 10 and above)	100.0%	100.0%	100.0%
Executive (Band 5 to Band 9)	100.0%	100.0%	100.0%
Non-Executive (Band 0 to Band 4)	87.5%	100.0%	100.0%
General Worker (DL only)	100.0%	100.0%	100.0%
Average Base Year Level	97%	99%	99%
Average Goal Level	95%	95%	95%

We are proud to report a 100% training completion rate for FY25/26, surpassing our target of 95%. This high completion rates across all job categories reflects the effectiveness of our ongoing efforts to build a strong anti-corruption culture.

(b) Corruption Risk Assessment

IQ-group remains committed to proactively identifying and mitigating corruption risks. In FY25/26, corruption risk assessments were conducted for both Malaysian entities covered under our Sustainability Statement.

	FY23/24	FY24/25	FY25/26
Percentage of operations that underwent corruption risk assessments	100%	100%	100%
Average Base Year Level	100%	100%	100%
Goal Level	100%	100%	100%

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.1 ANTI-CORRUPTION (Cont'd)

Performance Highlights (as of March 31, 2026) (Cont'd)

(b) Corruption Risk Assessment (Cont'd)

Our consistent 100% assessment coverage demonstrates our dedication to:

- Identifying and addressing corruption-related risks.
- Maintaining transparency and accountability.
- Ensuring compliance with applicable anti-corruption legislation and internal policies.

(c) Corruption Incidents

As of March 31, 2026, IQ-group recorded zero incidents of corruption across all operations , reflecting the strength of our anti-corruption measures, internal controls, and on-going awareness initiatives.

	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26
Number of Confirmed corruption incidents	0	0	0	0	0
Average Base Year Level			0	0	0
Goal Level			0	0	0

IQ-group remains steadfast in its commitment to maintaining the highest standards of ethical business conduct. We will continue to:

- Conduct corruption risk assessments across all business units.
- Strengthen and refine internal procedures to uphold our anti-bribery and anti-corruption standards.
- Provide ongoing anti-corruption training to enhance employee awareness and foster an ethical, corruption-free workplace culture.

4.2 COMMUNITY / SOCIETY

At IQ-group, we embrace our role as a socially responsible corporate citizen by actively contributing to community development. We believe that fostering strong community relationships and supporting social initiatives enhances the trust and well-being of both our employees and the wider society. Our commitment to corporate social responsibility (CSR) is reflected in our continuous efforts to support inclusive, meaningful and impactful programs.

Fostering Employee and Community Engagement

To encourage employee involvement and promote work-life balance, the Community Service & Sports & Recreational (CSSR) Club was established in late 2018. This club plays a vital role in cultivating social responsibility and team spirit among employees. We are proud that all IQ-group employees are members, underscoring our commitment to inclusive participation. The CSSR Club empowers employees to co-create programs that benefit both the company and the broader community.

As part of our support for the CSSR Club, IQ-group increases its contribution from RM1 per employee per month to RM2.50 per employee per month, thereby generating a dedicated CSSR Fund to support and sustain its initiatives.

In FY25/26, the CSSR Club successfully carried out two charity projects, one environmental initiative and one health and wellness engagement initiative, demonstrating the tangible outcomes of employee-led community engagement.

Supporting Youth Development By Extending Care to Paediatric Palliative Needs

IQ-group supported Malaysian Children's Hospice (MCH) Penang through its "Little Hearts Hospice Care" fundraising initiative, contributing RM2,500 alongside additional employee donations. Reflecting the company's strong commitment to children and youth development, this initiative extends its support to paediatric palliative care, ensuring young patients receive compassionate, holistic assistance. Staff also donated pre-owned medical equipment such as oxygen concentrators, BiPAP/CPAP machines, and children's wheelchairs to enhance home-based palliative care services.

The initiative helped address critical healthcare needs for children with life-limiting conditions while supporting their families. It also fostered a culture of empathy, volunteerism, and community engagement among employees, and promoted sustainability through the reuse of medical equipment. Overall, the effort benefited 17 patients and supported 8 healthcare personnel, including doctors, nurses, and volunteers.

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.2 COMMUNITY / SOCIETY (Cont'd)

Promoting Healthy Living and National Sports

The Company contributed RM500 to support the 25th Malaysian Open International Woodball Championship 2025 and the Asian Woodball University Championship 2025, organised by Persatuan Woodball Pulau Pinang and the Malaysian Woodball Association at Universiti Teknologi MARA (UiTM) Kampus Bertam. The event brought together participants from multiple countries, promoting international sporting exchange. Promoting healthy living and national sports remains a key focus of the Company's community initiatives.

Beyond financial support, the Company reinforced its commitment to employee empowerment and well-being by granting special paid leave to an employee who serves as a committee member of the Malaysian Woodball Association, enabling her participation in the National Woodball Championship. This reflects the Company's support for personal growth, leadership development, and the rising recognition of woodball as an emerging sport in Malaysia.

The initiative benefited approximately 300 athletes from seven countries, promoted diversity and inclusion by supporting a less-commercialised sport, encouraged healthy lifestyles and international engagement, and strengthened employee development through active involvement in sports leadership.

Promoting Environmental Sustainability Through the "Bin It Right – Medi-Cycle" Program

IQ-group implemented the "Bin It Right – Medi-Cycle" program in FY25/26 in collaboration with Alpro Pharmacy to collect expired or unused medicines, supplements, and inhalers from employees. All collected items were verified and disposed of safely through licensed contractors, ensuring compliance with proper waste management standards.

The initiative promoted safe and responsible medical waste disposal while raising employee awareness of environmental sustainability. It also strengthened collaboration with external partners to support effective waste management practices and enabled systematic data tracking to support the Company's CSSR sustainability reporting.

Advancing Workplace Well-being Through IQ Health Day

The Company collaborated with various healthcare service providers to promote employee health awareness and preventive care through educational talks, health screenings, and on-site services.

This initiative enhanced employees' understanding of preventive healthcare and the importance of early detection, while improving access to basic health services within the workplace. It also encouraged proactive health management and healthier lifestyle choices, and strengthened overall employee engagement through wellness-focused programmes.

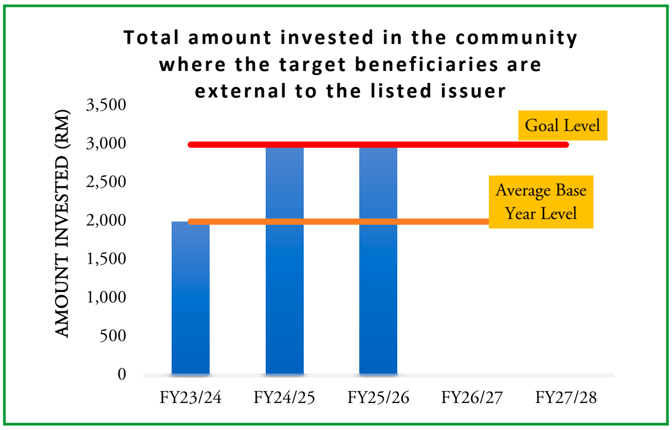
Governance and Ethical Standards in CSR

All IQ-group community contributions are governed by our CSR Donation and Sponsorship Policy, ensuring that all initiatives align with our corporate values and comply with legal and ethical standards. Contributions must be transparent, non-political and free from conflicts of interest or commercial incentives. All donations are subject to prior approval, due diligence and processed through legal, traceable channels to uphold integrity and minimise reputational risk.

The tables presented below provides summary of the total amount invested in the community and the total number of beneficiaries of the investment in communities for the FY25/26 reporting period.

a) Total amount invested in the community where the target beneficiaries are external parties

	FY23/24	FY24/25	FY25/26
Total amount invested where the target beneficiaries are external to IQ	RM2,000	RM3,000	RM3,000
Total number of beneficiaries of the investment in communities	77	315	325
Average Base Year Level	RM2,000	RM2,000	RM2,000
Goal Level	RM3,000	RM3,000	RM3,000



SUSTAINABILITY STATEMENT (Cont'd)

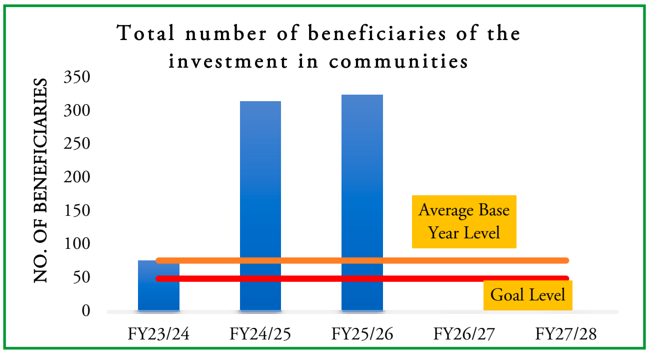
SOCIAL IMPACT (Cont'd)

4.2 COMMUNITY / SOCIETY (Cont'd)

Governance and Ethical Standards in CSR (Cont'd)

b) Total number of beneficiaries of the investment in communities

	FY23/24	FY24/25	FY25/26
Total number of beneficiaries of the investment in communities	77	315	325
Average Base Year Level	50	50	50
Goal Level	50	50	50



Future Commitments (FY26/27)

IQ-group remains committed to enhancing its community impact with the following targets:

- Maintain community investment at RM3,000
- Reach a minimum of 50 direct beneficiaries
- Expand employee-led CSR initiatives
- Increase environmental and sustainability-focused programs

IQ-group will continue to embed social responsibility into its corporate culture by empowering employees, strengthening governance, and delivering measurable community outcomes. Our commitment remains focused on creating sustainable value for both society and our stakeholders.

4.3 DIVERSITY

At IQ-group, we believe that diversity is not only a strength but also a catalyst for innovation, creativity and business success. By embracing a workforce composed of individuals from diverse backgrounds, experiences and perspectives, we enhance our ability to generate innovative ideas, make well-rounded decisions and solve problems more effectively. This inclusive environment also boosts employee engagement, job satisfaction and retention—contributing positively to our organisational culture and performance.

Diverse teams bring together varied insights that expand our thinking and challenge the status quo. A workplace that values inclusivity encourages collaboration and ensures that every employee feels respected and empowered. This, in turn, strengthens morale and enhances our reputation as an employer of choice.

Commitment to Equal Opportunity and Inclusive Hiring

IQ-group is committed to ensuring fairness in all employment decisions through our Equal Employment Opportunity Policy. We provide equal access to employment opportunities regardless of race, gender, age, religion, ethnicity, or any other legally protected category. Recruitment, promotion, training, compensation and all other employment-related decisions are based on job-related criteria alone.

We are particularly proud to offer opportunities to underprivileged groups, including individuals without formal education. Our hiring practices ensure inclusivity at all levels and we actively create pathways for those who may otherwise face barriers to employment.

Employment of Persons with Disabilities

Our commitment to inclusivity extends to individuals with disabilities. IQ-group has consistently welcomed Orang Kurang Upaya (OKU) employees into our workforce. This is not simply a social responsibility, but a reflection of our belief in the untapped potential and value each individual brings.

One of our OKU team members—deaf and mute—has been with us for over 25 years, exemplifying our long-standing support for an inclusive workplace. To ensure effective communication, we have developed training materials with visual and pictorial aids, translated into Malay and Mandarin or local dialects as needed to support understanding across literacy and language differences. This initiative ensures that all employees, regardless of ability or background, are equipped with the knowledge they need to thrive.

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.3 DIVERSITY (Cont'd)

Upholding Fundamental Human Rights

We uphold the fundamental rights of our employees, including freedom of association and collective bargaining. All employees are free to join or not join organisations of their choice, without fear of discrimination or retaliation.

As part of our commitment to upholding fundamental human rights, the company has granted special time-off to an employee participating in community service activities organised by Prison Fellowship Malaysia (PFM). PFM is a registered Christian non-profit organisation dedicated to rebuilding the lives of inmates, ex-offenders, and their families. This initiative reflects IQ-group's dedication to supporting personal development, fostering community engagement, and promoting social responsibility.

Safe, Respectful and Harassment-Free Workplace

IQ-group enforces a zero-tolerance policy for harassment, including sexual harassment. We foster a work culture grounded in dignity and respect, where all employees feel safe and supported. Any inappropriate conduct is met with prompt disciplinary action, up to and including dismissal. We expect all levels of leadership—from the CEO to frontline supervisors—to model and enforce this policy consistently.

We also strictly comply with the Children and Young Persons (Employment) Act to protect young individuals. Child labor is prohibited at IQ-group in all forms.

Promoting Gender Equality and Representation

As of 31 March 2026, IQ-group's workforce comprises 104 employees—56% female and 44% male. Gender diversity is well-represented at all levels, including management, executive and non-executive roles, with a near-equal distribution of female and male staff.

Our succession planning reflects a proactive approach to promoting women in leadership. 80% of identified successors are female, demonstrating our long-term strategy to foster female leadership and ensure balanced representation at decision-making levels.

At the general worker level, women comprise 90% of employees, a reflection of both the nature of the work and scheduling flexibility that tends to align with the preferences of female workers.

Embracing Age Diversity

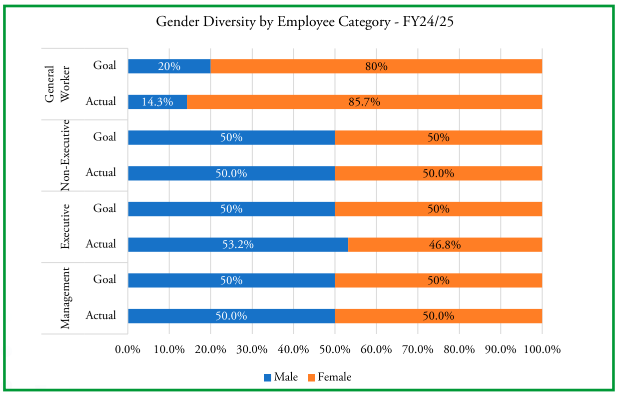
IQ-group practices age-neutral hiring, recognising the value of a multi-generational workforce. We encourage young professionals to join our organisation, with 19.2% of employees at executive and non-executive levels under 40 years old. We support their growth through training, mentorship and educational assistance programs, enabling them to pursue higher education while working. Conversely, we also value the contributions of seasoned professionals.

We actively re-engage retired employees—both in general worker and managerial roles—to leverage their industry experience. Their mentorship facilitates critical knowledge transfer and reinforces a culture of learning and collaboration.

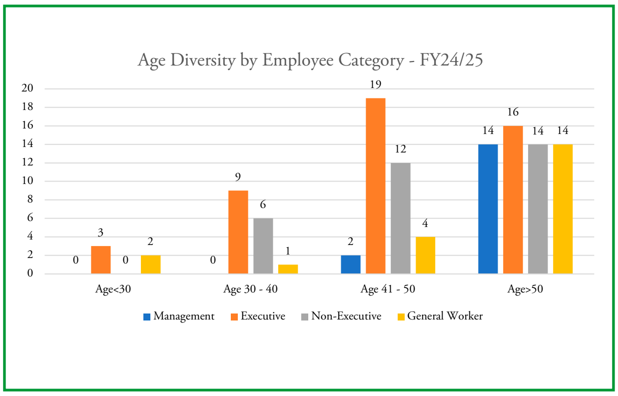
Performance Metrics

a) Percentage of employees by gender and age group for each employee categories

Gender Diversity comparison FY24/25 & FY25/26



Age Diversity comparison FY24/25 to FY25/26



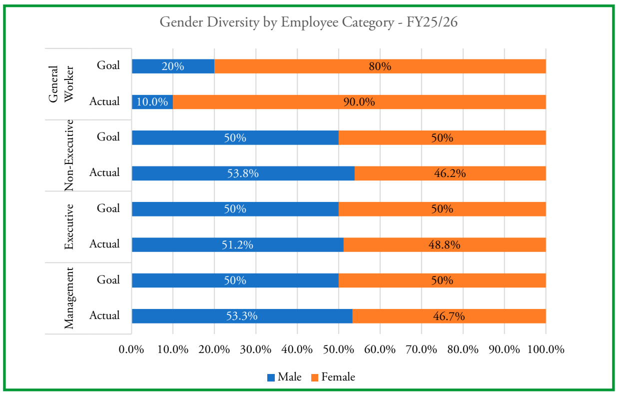
SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

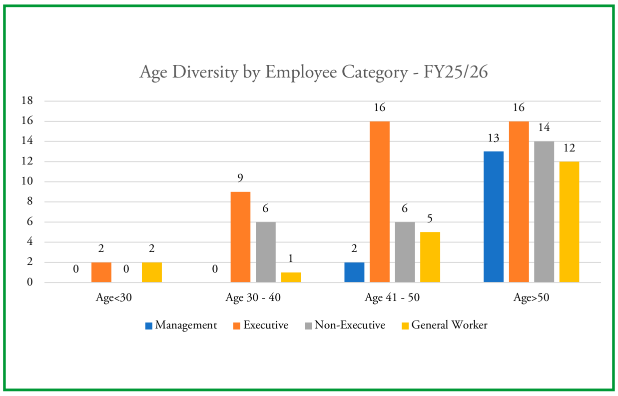
4.3 DIVERSITY (Cont'd)

a) Percentage of employees by gender and age group for each employee categories (Cont'd)

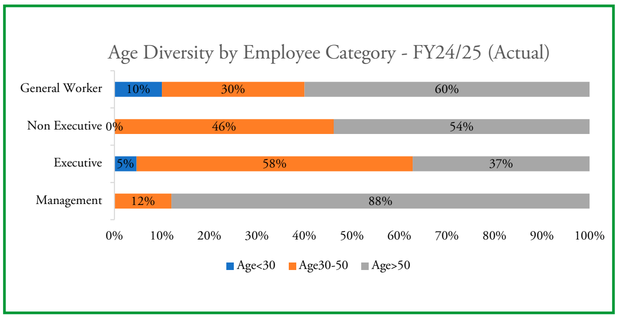
Gender Diversity comparison FY24/25 & FY25/26



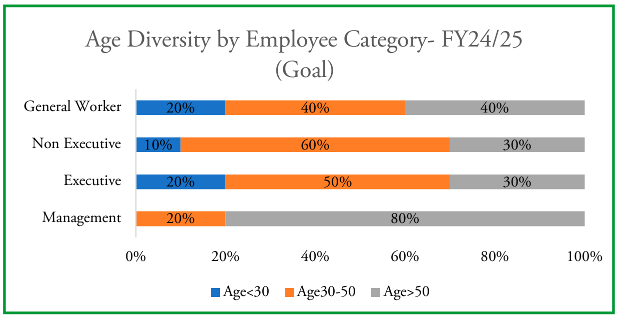
Age Diversity comparison FY24/25 to FY25/26

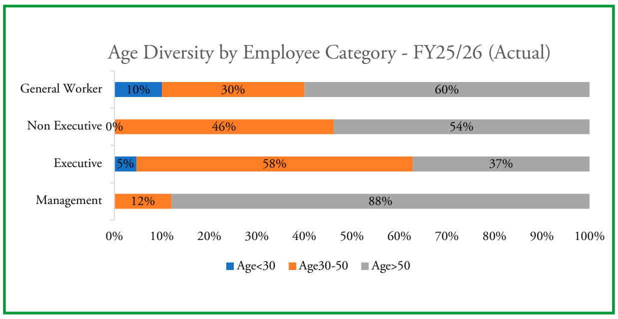


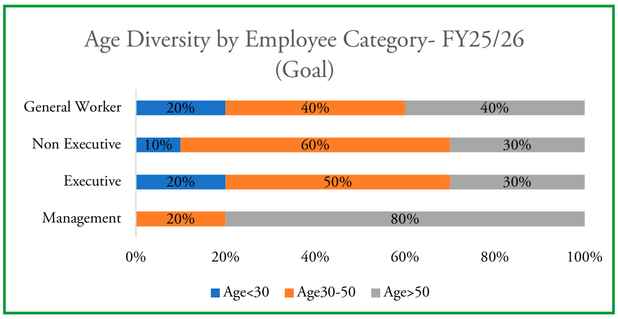
Age Diversity (Actual)



Age Diversity (Goal)

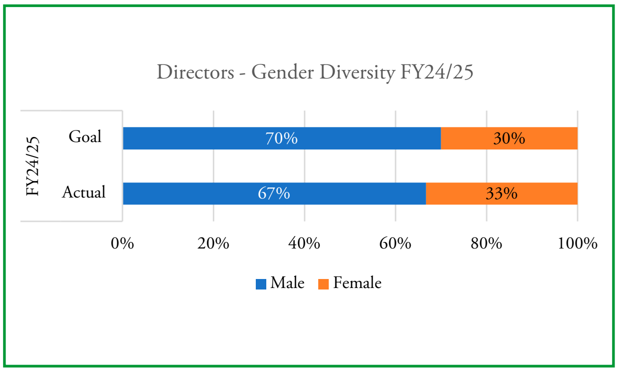




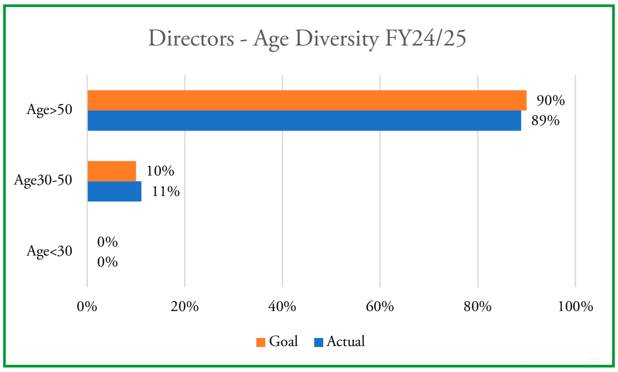


b) Percentage of directors by gender and age group

Gender Diversity comparison FY24/25 & FY25/26



Age Diversity comparison FY24/25 & FY25/26



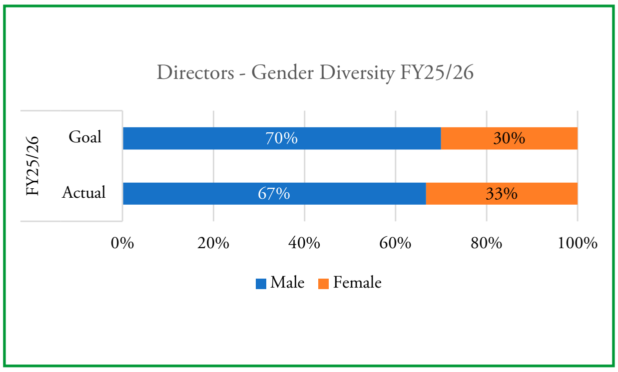
SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

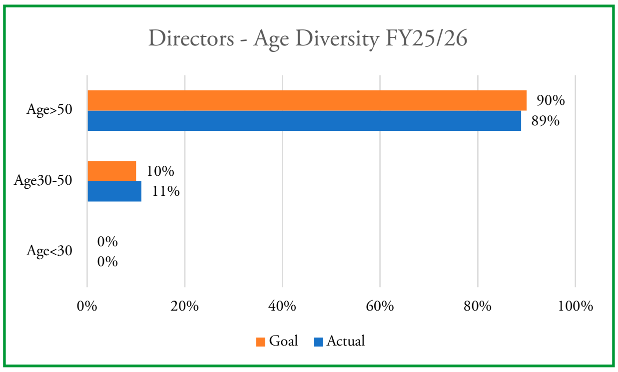
4.3 DIVERSITY (Cont'd)

b) Percentage of directors by gender and age group (Cont'd)

Gender Diversity comparison FY24/25 & FY25/26



Age Diversity comparison FY24/25 & FY25/26



Continuous Improvement and Future Commitment

We recognize that achieving diversity and inclusion in the workplace is an ongoing process that requires consistent effort, evaluation and commitment. To this end, we set realistic and measurable goals, tailored to the unique nature of our work and the varying needs across different levels of the organisation. These goals are supported by targeted strategies that aim to gradually and practically enhance diversity outcomes.

In FY26/27, IQ-group will continue to build on our progress by implementing initiatives that promote equitable gender representation and broader diversity across all employee categories. This reflects our enduring commitment to cultivating a dynamic, inclusive and forward-looking workforce.

4.4 HEALTH AND SAFETY

IQ-group Health & Safety Commitment

At IQ-group, the health and safety of our employees is a top priority. We recognise that our people are our greatest asset and we are committed to ensuring they return home safely every day. Our proactive approach emphasizes prevention, underpinned by a comprehensive safety management system aimed at maintaining a zero-accident work environment.

Our Commitment to a Safe Workplace

We are dedicated to fostering a culture of safety through the implementation of our Safety and Health Policy and work instructions. These frameworks guide our efforts to prevent accidents and protect the well-being of our workforce. Our commitment is reflected in the following actions:

- Implementing effective controls to identify, assess and manage health and safety risks arising from our operations.
- Ensuring the safe handling, storage and usage of substances.
- Providing employees with the necessary information, guidance and supervision to perform their duties safely.
- Enhancing employee competence through mandatory safety training for new hires and annual refresher programs for all staff.
- Continuously improving our safety measures to mitigate the risks of work-related incidents and illnesses.
- Regularly reviewing and updating our policies to align with best practices and regulatory standards.

Safety Performance and Achievements

Our unwavering focus on health and safety has led to exceptional results. For the past four reporting years, IQ-group has recorded:

- Zero work-related fatalities
- Zero lost-time incident rate (LTIR)
- 100% of employees have received health and safety training

We attribute this success to annual training programs and continuous monitoring processes. All new employees are required to complete safety and health training, while annual refresher courses are provided to all existing employees.

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.4 HEALTH AND SAFETY (Cont'd)

Safety Performance and Achievements (Cont'd)

Performance Metrics

	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26	FY 25/26 Target
Lost-time incident rate	0	0	0	0	0	0
Number of fatalities	0	0	0	0	0	0
Total Employee trained on health and safety %	56%	74%	94%	100%	100%	100%

Below are some of our measures, initiatives and achievements in managing health and safety at IQ-group:

Regulations

Over the 8 reporting years we have complied with the air emissions level for Local Exhaust Ventilation (LEV) – soldering purposes to remove fumes from system - under DOSH with air emission monitoring as per Environmental Quality (Clean Air) Regulations 2014 (DOE guidelines) and hygiene technology as per Occupational Safety and Health (Use and Standard of Exposure Chemical Hazardous to Health) Regulations 2000 to ensure that our employees work within an environment with clean air and free from hazardous chemicals.

Organisational Arrangements

Emergency Preparedness and Response

- **Safety Governance:** A dedicated Health and Safety Committee, supported by the appointed safety representatives, oversees the development and implementation of OSHA-related risk mitigation strategies. This includes creating and enforcing safety standards, programs and procedures to minimise health and safety risks.
- **Emergency Response Preparedness:** We have established robust protocols for handling emergencies, including first aid, evacuation procedures and communication plans. Our Emergency Response Team (ERT) and First Aid Team serve as the first line of response during emergencies, ensuring swift and effective action. Regular drills and exercises are conducted to evaluate the efficiency of our emergency procedures and identify areas for improvement.
- We actively collaborate with local authorities and emergency services to enhance coordination and ensure rapid support during emergencies.
- **Regular Workplace Inspections:** We conduct periodic workplace inspections in accordance with OSHA standards to identify and mitigate potential hazards, ensuring a safe working environment.

Inspections and Audits

Compliance and Legal Requirements

- Annually, our operations are audited by the Department of Occupational Health and Safety (DOSH) to ensure compliance with as per their OSHA standards.
- We regularly carry out internal and external audits, machine inspections, periodic equipment servicing and risks assessments, including soldering machine inspection and Chemical Health Risk Assessment (CHRA).
- During the reporting year, we successfully passed both the internal audit on the maintenance service and examination for the local exhaust ventilation (LEV) system, liquefied petroleum gas (LPG) system and fire-fighting and detection equipment; and external audit by DOSH for general plan inspection and machinery plant renewal.

OSH initiatives

Safety Awareness

Health and Wellness Program

To further strengthen workplace safety, IQ-group implements a range of Occupational Safety & Health (OSH) initiatives, including:

- **Optimised Personal Protective Equipment (PPE):** We provide appropriate PPE, such as safety goggles, face shields and gloves, to employees working in high-risk areas like the soldering process. Our focus on optimising PPE usage helps reduce injury downtime while enhancing operational efficiency.
- **Upgraded Safety Systems:** This year, we enhanced our fire safety infrastructure with the installation of the iSCADA SPKA system—an automatic fire monitoring system directly linked to a third-party service provider and the local fire department (Bomba)
- **Employee Health Support:** We collaborate with third-party health service providers to offer employees access to medical facilities, health screenings and occupational health services, promoting overall health and well-being.

SOCIAL IMPACT (Cont'd)

4.4 HEALTH AND SAFETY (Cont'd)

Safety Performance and Achievements (Cont'd)

Below are some of our measures, initiatives and achievements in managing health and safety at IQ-group: (Cont'd)

Trainings and Communications

We believe that effective training and communication are essential to maintaining a safe working environment. Our approach includes:

- Conducting comprehensive health and safety induction training for all new employees to ensure they understand and comply with IQ-group's safety standards.
- Providing regular updates on health and safety matters through notice boards and management briefings to keep all employees informed.
- Delivering specialized training programs on key safety areas, including Chemical Handling Risk Assessment (CHRA), Hazard Identification, Risk Assessment and Risk Control (HIRARC), Emergency Response Team (ERT) Fire Fighting, First Aid and IQ-group's Safety & Health Policy.
- All employees have participated in these specialised safety and health training programs.

Our Pledge to Accountability and Transparency

As part of our Environmental, Social and Governance (ESG) commitment, IQ-group's Board of Directors pledges to uphold the principles of accountability and transparency in all our sustainability efforts. We remain steadfast in our mission to provide a safe, healthy and sustainable workplace for all.

Health and safety have always been a fundamental part of our identity and we will remain ever vigilant of safety hazards and risks. To achieve higher levels of occupational health and safety within IQ-group, First Aid training was conducted for our First Aid member as a refresher course on health and safety.

For more details on our IQ-group Sustainability Policy on Environment, Social and Governance is available in our corporate website : https://iq-group.com/pdf/Sustainability_Policy_Rev_4-_final_approved_by_BOD_on_30_May_2024.pdf

4.5 LABOUR PRACTICES AND STANDARDS

Our people are our assets in driving the continuous growth of our business. Therefore, IQ-group is committed in continuously reviewing, adjusting and aligning our policies and procedures in ensuring we stay competitive in all key aspects related to talent retention and talent attraction. The latter includes the broad aspects of people development, merit-based hiring and reward and recognition system, career development planning and engagement and a progressive people centric management system, as well a system that supports feedbacks from employees.

IQ-group emphasizes on technical excellence of our employees, where their knowledge and competencies are essential in generating innovative solutions, implementing creative ideas for continuous improvement in our business processes. Therefore, IQ-group has always endeavored to support the continual development of their knowledge and competencies, along with their career development planning through the provision of training, engagement and guidance.

We continue to review and enhance our relevant company policies and procedures within the ISO 9001:2015 quality system to ensure that practical requirements of our employees and customers as well as the regulatory compliances are identified and fulfilled. Relevant trainings and engagements were planned and provided in ensuring successful implementation of those initiatives.

In addition to the above mentioned, we have also put in place the following mechanisms to ensure that our employees are continuously supported and guided through their career paths in the company:

Career mapping and succession planning for selected departments to develop the employee capability and to facilitate employee career

Annual performance evaluation for all employees at all levels.

Competency assessment to assess employee needs of training.

Annual training calendar and budget set for both in-house and external trainings for all departments

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.5 LABOUR PRACTICES AND STANDARDS (Cont'd)

a) Training and Development

In order for our employees to keep abreast of new technology development, dynamic market trend and evolving business needs, the company provided necessary guidance and support for them to enroll in relevant courses, seminars, workshops, exhibitions, conferences or training, particularly in the areas of regulatory compliances, technical subjects or management, in order to stay updated and competitive.

In FY25/26, we made significant investments in training and development programs to enhance the skills and capabilities of our employees. A total of 22,105 training hours were dedicated to these initiatives, demonstrating our commitment to continuous learning and growth. Our goal is to provide an average of 2 training hours per employee each month.

In addition to upskilling and development programs focused on operational and technical knowledge, we place strong emphasis on educating employees about sustainability and ESG (Environmental, Social, and Governance) practices. In the last financial year, we enhanced our training approach by introducing online training methods and establishing a virtual ESG training program for newly hired employees. Through this initiative, we aim to improve employees' awareness, knowledge, and capabilities to actively support the ongoing implementation of our ESG framework.

As part of IQ-group's commitment to human rights due diligence, annual refresher training is conducted for all staff covering key topics such as Anti-Forced Labour, Anti-Child Labour, Anti-Harassment, Whistleblowing Policy, and Grievance Reporting Procedures. This ongoing training ensures that employees are continuously aware of their rights and responsibilities and reinforces a culture of ethical conduct and accountability across the organization.

These training sessions serve as a proactive measure to identify, assess, and mitigate potential human rights risks within our operations. By regularly educating staff and strengthening internal awareness, IQ-group is able to minimise the risk of human rights violations, promote early detection of concerns, and ensure appropriate actions are taken. This approach aligns with best practices for human rights impact assessment and mitigation.

b) Innovation and Technical Excellence

IQ-group continues to promote a culture of innovation and creativity, especially among our R&D talents. The company has a system that recognises and motivates our employees to pursue patentable inventions by providing financial rewards to inventors for successful patent applications. The reward and recognition system not only supports the cultivation of a culture that pursues technical excellence, but it is also beneficial in retaining and attracting R&D talents, and at the same time, maintaining our position of technical excellence in product design and innovations.

c) Merit Based Hiring and Fair Compensation and Benefits

We strictly adhere to our Recruitment Policy and Procedures to ensure individuals are hired based on merits, which include attributes, knowledge, skills and experiences. Apart from that, we always seek to provide equal employment opportunities to well performing employees, whether they are our permanent or contract employees. We always seek to convert our well performing retired employees into contract employments so that they can continue to be in employment and the company will continue to benefit from experiences and knowledge. The company has always prioritised the conversion of well performing contract employees and outsourced workers into permanent positions whenever there are suitable vacancies.

In terms of compensations, we conduct annual salary survey and conduct regular compensation and benefits (C&B) survey in ensuring we stay competitive in talent retention and acquisition. We practice fair compensation by rewarding employees based on their performance, and contribution to the organisation.

d) Staying ahead of Labour Laws

IQ-group continues to demonstrate its commitment to aligning company policies with the Malaysia Employment Act (Amendment) 2022, reflecting our dedication to complying with evolving labour regulations while fostering a fair and supportive workplace. Annual HR risk assessments are conducted to identify and address labour-related issues, ensuring that both existing and new operations remain fully compliant with all applicable laws and regulations.

To maintain compliance with labour laws, the Employment Act, industry best practices, and statutory requirements such as KWSP, HRDF, and SOCSO, IQ-group actively engages with professional associations, including FMM, FREPENCA, and MECA. These engagements keep us updated on the latest government policies and legal requirements. Beyond minimum wage compliance, we have implemented key updates to ensure full adherence to the Malaysia Employment Act (Amendment) 2022, reinforcing our commitment to a compliant and equitable workplace.

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.5 LABOUR PRACTICES AND STANDARDS (Cont'd)

d) Staying ahead of Labour Laws (Cont'd)

i) Flexible Work Arrangement

We promote a healthy work-life balance through our Flexible Work Arrangement procedure, offering eligible employees options such as hybrid work arrangements and flexible working hours. This approach respects personal boundaries while fostering accountability and a results-oriented culture.

ii) Extension of Maternity Leave

Maternity leave has been extended from 60 days to 98 days, recognizing the importance of maternal health and allowing employees more bonding time with their newborns.

iii) Paid Paternity Leave

Eligible employees are now entitled to seven consecutive days of paid paternity leave upon the birth of a child. This initiative promotes gender equality and acknowledges the critical role of fathers in caregiving.

iv) Hospitalisation Leave

A separate entitlement of 60 days for Hospitalisation Leave has been introduced for employees facing serious health challenges, distinct from regular Sick Leave. This ensures that employees can focus on their recovery without concerns about job security.

e) Uphold Human Rights and Grievance Reporting Mechanism

IQ-group values employee feedback and has strengthened its grievance mechanisms to support the reporting of concerns at all levels. Suggestion boxes have been installed in accessible locations, such as the canteen and corridors, to allow employees to raise issues safely and confidentially. Our labour practices focus on upholding the human rights of all workers across our operations. In FY25/26, we recorded zero grievances related to human rights violations.

To reinforce ethical labour standards and maintain a safe, respectful workplace, IQ-group has established clear grievance procedures in addition to the physical reporting channels. These measures protect employees' rights and allow concerns to be addressed in a transparent and effective manner. Furthermore, to prevent excessive working hours, all overtime is scheduled only with the employee's consent, ensuring that working conditions are fair, voluntary, and transparent. In FY25/26, we recorded 0 substantiated human rights complaints.

Our Performance as below:

Total hours of training by employee category

Employee Category	FY23/24	FY24/25	FY25/26	Goal
Management	436	431	500	408
Executive	902	911	1314	1248
Non-Executive	632	1440	702	768
General Worker	1031	6020	19589	576
Grand Total	3000	8802	22105	3000

Percentage of employees that are contractors or temporary staff

Description	FY23/24	FY24/25	FY25/26
Total number of Contractors and Temporary Staffs	12	10	5
Total number of employees	122	116	104

Total number of employee turnover by employee category

Category	FY23/24	FY24/25	FY25/26
Management	0	1	1
Executive	5	5	5
Non Executive	2	1	4
General Worker	19	2	4
Total	26	9	14

Number of substantiated complaints concerning human rights violations

Description	FY23/24	FY24/25	FY25/26
Number of Complaints	0	0	0

SUSTAINABILITY STATEMENT (Cont'd)

SOCIAL IMPACT (Cont'd)

4.5 LABOUR PRACTICES AND STANDARDS (Cont'd)

f) Future Commitments

IQ-group remains committed to enhancing labour practices through:

- Sustaining training investments and achieving minimum training hour targets
- Strengthening employee engagement and well-being initiatives
- Promoting a positive, inclusive, and high-performance work culture
- Enhancing monitoring of labour-related KPIs in line with Bursa CSI requirements

IQ-group will continue to uphold high standards of labour practices by fostering a supportive, fair, and compliant workplace. Through continuous improvement and structured governance, the Group aims to create long-term value for both employees and stakeholders.

ECONOMIC PERFORMANCE

5.1 RESPONSIBLE SUPPLY CHAIN MANAGEMENT - ENVIRONMENTAL AND SOCIAL

At IQ-group, we are committed to building a responsible and sustainable supply chain based on ethical sourcing, environmental care, and social responsibility. We expect all our suppliers to meet high standards set out in our Supplier Code of Conduct, which follows internationally recognised Environmental, Social, and Governance (ESG) principles.

Social Responsibility

We expect all suppliers to provide a safe, fair, and respectful workplace. This includes:

- Respecting human rights and following fair labour practices
- Not allowing child labour, forced labour, or any form of discrimination
- Providing fair wages and safe working conditions, while promoting diversity and inclusion
- Respecting workers' rights to form groups, join unions, and take part in collective bargaining

Commitment to Local Sourcing

IQ-group supports local sourcing as an important part of our supply chain strategy. This helps to:

- Build stronger relationships with local communities
- Support local economic growth
- Make our supply chain more stable and reduce emissions from transportation
- Develop long-term and mutually beneficial partnerships with suppliers

Environmental Responsibility

We include sustainability in all our purchasing decisions. We expect our suppliers to:

- Reduce greenhouse gas emissions and energy use
- Manage waste properly, control pollution, and use resources efficiently
- Use sustainable materials and reduce packaging waste
- Follow all environmental laws and regulations

To improve continuously, we review environmental performance through:

- Careful supplier selection and onboarding checks
- Regular supplier audits and assessments
- Yearly environmental risk reviews for key suppliers

SUSTAINABILITY STATEMENT (Cont'd)

ECONOMIC PERFORMANCEE (Cont'd)

5.1 RESPONSIBLE SUPPLY CHAIN MANAGEMENT - ENVIRONMENTAL AND SOCIALE (Cont'd)

Governance, Policy, and Compliance

IQ-group has a strong governance system to manage ESG risks and ensure responsible purchasing. This includes:

- Clear roles and responsibilities for managing the supply chain
- Standard procedures for Purchasing, Material Qualification, and Vendor Review
- Alignment with global sustainability reporting standards
- Regular tracking and reporting of supplier performance and ESG activities .

This system supports both our Quality Management System and our long-term sustainability goals.

Supplier Engagement and Collaboration

We see our suppliers as long-term partners built on trust, transparency, and shared growth. We work together by:

- Providing guidance, training, and support to suppliers
- Aligning operations with ESG commitments
- Encouraging innovation and continuous improvement in environmental and social performance

By integrating ESG into our supply chain, IQ-group strengthens its operations and contributes to sustainable development and long-term value for stakeholders.

IQ-group's Supply Chain Social and Environmental Sustainability Policy is available on our website:

https://iq-group.com/pdf/IQ_Group_Supply_Chain_Social_and_Environmental_Sustainability_Policy_on_15Apr25.pdf

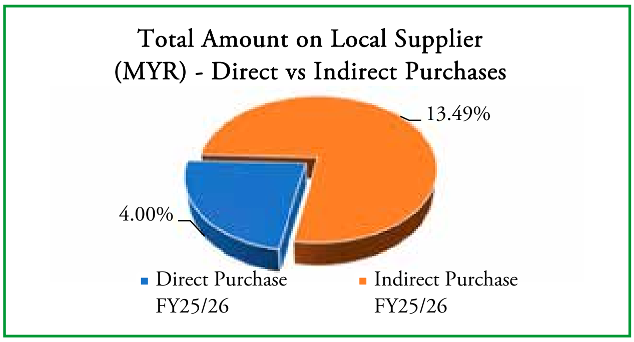
Spending on Local Suppliers

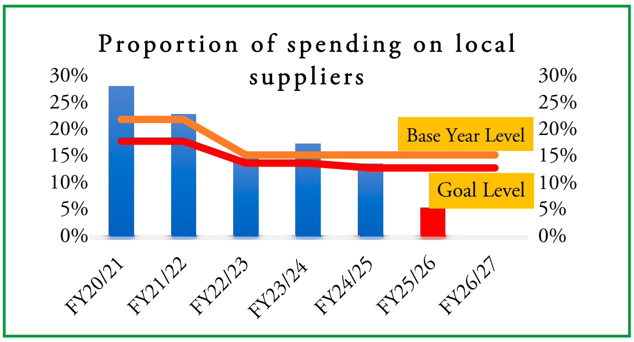
IQ-group is committed to supporting local economies by increasing spending on local suppliers. We track both direct and indirect purchases across our supply chain.

For FY25/26, spending on local suppliers is 5.59%, which is below our 13% target. This is mainly because a large portion of spending goes to foreign materials, including subcontracting orders to contract manufacturers and purchases of Modular Kits from IQ Wuning.

If we exclude purchase orders issued to contract manufacturers, local spending would increase to 8.35%.

Previously, we only reported direct purchases and excluded indirect purchases. To improve accuracy and provide a more complete picture, starting from FY23/24, we have updated our reporting to include both direct and indirect procurement in the local sourcing calculation.





SUSTAINABILITY STATEMENT (Cont'd)

ECONOMIC PERFORMANCE (Cont'd)

5.2 CUSTOMER HEALTH & SAFETY/PRODUCT RESPONSIBILITY

The safety of our customers and upholding product responsibility are the core values that guide everything we do. In today's competitive market, customer trust is built not only on performance but also on the assurance of safety, quality and reliability.

We recognise that understanding customer expectations, usage behavior and potential hazards is fundamental to designing products and services that prioritise well-being. This proactive mindset helps cultivate a culture of safety and trust, reinforcing long-term customer satisfaction and loyalty.

Our Commitment

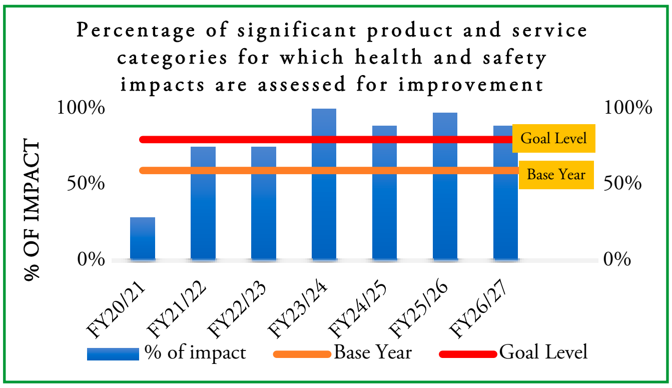
Health and safety risk assessments are an integral part of our product development and delivery process. We conduct thorough evaluations to identify and mitigate any potential hazards that customers might encounter when using our products or services.

From the outset of product design through to the completion of production, we maintain a rigorous process of risk assessment to identify and address potential issues. Corrective actions are implemented promptly to ensure that all safety and quality requirements are consistently met. Adjustments are carried out as necessary, either prior to or during pilot runs and Engineering Runs are repeated when needed. These decisions are always guided by thorough team reviews and collective agreement, ensuring the final product meets our high standards for safety, reliability and customer satisfaction.

Our performance

Project mandatory to pass the safety approbation test before Mass production

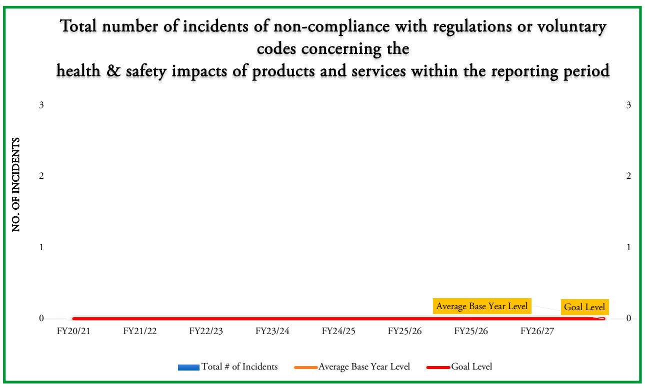
Significant product	FY20/21	FY21/22	FY22/23	FY23/24	FY24/25	FY25/26
Total Assessed	2	3	15	27	16	37
Total Product	7	4	20	27	18	38
% of impact	29%	75%	75%	100%	89%	89%
Base Year	60%	60%	60%	60%	60%	60%
Goal Level	80.00%	80.00%	80.00%	80.00%	80.00%	80.00%

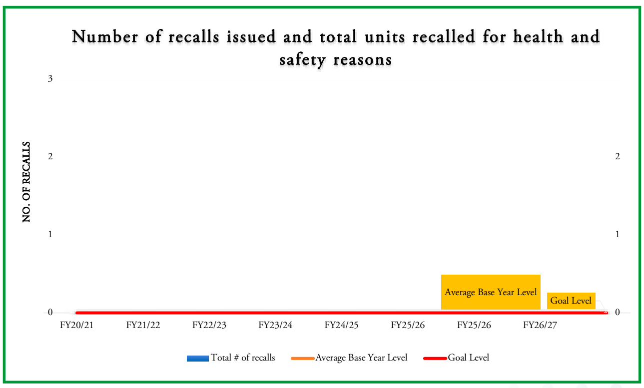


Over the past six financial years, spanning from FY20/21 to FY25/26, we have consistently upheld stringent measures and standards to prioritise the well-being of our customers, ensuring product responsibility and safety. Our efforts have yielded notable achievements:

- Zero recall cases and zero unit recalled for health and safety related concerns throughout the reporting period.
- No incident of non-compliance with regulations or voluntary codes related to the health and safety were recorded.

These accomplishments underscore our unwavering commitment to maintaining the highest levels of product integrity and safeguarding the health and safety of our valued customers.





SUSTAINABILITY STATEMENT (Cont'd)

ECONOMIC PERFORMANCE (Cont'd)

5.2 CUSTOMER HEALTH & SAFETY/PRODUCT RESPONSIBILITY (Cont'd)

Our performance (Cont'd)

Additionally, our project teams review and assess product conformity with mandatory safety standards certified by reputable approval bodies. We prioritise high product performance and reliability, continually improving our solutions through innovative approaches and rigorous risk and opportunity assessments.

By integrating these practices into our product design, development and lifecycle management, we demonstrate our commitment to ensuring customer safety and product responsibility, while minimising environmental and social impacts.

5.3 DATA PRIVACY & SECURITY

IQ-group maintains a strong and well-structured approach to data privacy and security, built on clear governance, proactive strategy, effective risk management, and measurable performance tracking.

The Management Information System (MIS) department leads all data protection efforts through a comprehensive governance framework, including an Information Security Management System (ISMS), strict policies, and controlled access systems. This ensures accountability, transparency, and proper handling of all data in line with recognised standards such as ISO 9001:2015.

Strategically, IQ-group adopts a forward-looking approach by implementing multilayered security systems, reliable backup and recovery solutions, and secure access controls. Continuous system improvements, regular maintenance, and management reviews help the organisation stay resilient against evolving cyber threats.

A structured risk management process is in place to identify and mitigate potential risks such as unauthorized access, malware attacks, data loss, system downtime, and human error. Preventive measures including firewalls, antivirus systems, data backups, and strict access controls are actively enforced. All incidents are tracked and investigated through a dedicated system.

Performance is closely monitored using clear metrics and targets, with a strong emphasis on zero data breaches, zero data loss, and full compliance across all security controls. Regular audits, system reviews, and testing ensure ongoing effectiveness.

Notably, IQ-group has maintained an excellent track record, with zero data breaches, zero data losses, and zero substantiated customer complaints over the past six financial years, demonstrating the robustness and reliability of its data privacy and security framework.

1. Governance

At IQ-group, the Management Information System (MIS) department holds primary responsibility for monitoring, managing, and enforcing all data privacy and security matters. Governance is formalized through a comprehensive framework that ensures accountability, transparency, and continuous oversight.

Governance Element	Description
ISMS Framework	A comprehensive Information Security Management System (ISMS) encompassing policies, processes, procedures, organisational structures, and software/hardware functions.
Key Policies	Security & Access Control Policies, Backup & Password Policy (MIS), Document Data Control, and Group Data Privacy Guideline.
Access Management	User Access Control/Restrictions and a Data Privacy Management System (DPMS).
Standards Alignment	Alignment with ISO 9001:2015 requirements for annual system maintenance and documented controls.
Accountability Tool	MIS Support Requisition System for tracking privacy-related complaints, data leaks, thefts, or losses.

Governance extends beyond mere compliance. IQ-group continuously invests in resources, technologies, and training to uphold the principles of confidentiality, integrity, and availability (CIA) of all stakeholder data.

SUSTAINABILITY STATEMENT (Cont'd)

ECONOMIC PERFORMANCE (Cont'd)

5.3 DATA PRIVACY & SECURITY (Cont'd)

2. Strategy

IQ-group's data privacy and security strategy is proactive, forward-looking, and aligned with the demands of the Fourth Industrial Revolution. The strategy focuses on staying ahead of emerging threats and evolving industry standards while maintaining stakeholder trust.

Strategic Initiative	Implementation Details
Multilayered Defense	Deployment of Sophos Firewall, Symantec & Bitdefender Antivirus (upgraded to Bitdefender Business Security Enterprise), and regular system security patches.
Redundancy & Resilience	Setup of Redundancy VLAN Core Switch for Server & Storage providing switch-level redundancy to improve system robustness and uptime.
Data Integrity & Availability	Use of RAID (Redundant Array of Independent Disks) technology to enhance data redundancy and performance.
Disaster Recovery & Business Continuity	Implementation of a virtualization program to improve backup and disaster recovery capabilities, supported by the Acronis Backup System.
Secure Remote & Internal Access	Enforcement of network access controls and user-level restrictions to prevent unauthorised access.
Continuous Improvement	Annual system maintenance, routine server hardware maintenance, and monthly Data Security & Protection Management Reviews.

3. Risk Management

IQ-group employs a structured, preventive approach to identify, assess, and mitigate data privacy and security risks. The table below outlines key risk categories and their corresponding mitigation measures.

Risk Category	Mitigation Measures
Unauthorised access	User access controls, network segmentation, VLAN core switch, firewall with web server protection module.
Malware & cyber threats	Multilevel antivirus (Symantec, Bitdefender), regular security patches, Sophos Firewall.
Data loss or corruption	RAID technology, Acronis Backup System, daily backup routines.
System downtime or outage	Redundant VLAN Core Switch, routine server hardware maintenance, virtualization for disaster recovery.
Insider threat or human error	Access control policies, MIS Support Requisition traceability, employee compliance with Group Data Privacy Guideline.
Third-party or external breaches	Firewall protection, network access restrictions, annual system maintenance in line with ISO 9001:2015.

Performance Result: All incidents or suspected breaches are reported through the MIS Support Requisition system, investigated, and documented.

No data breaches or losses have occurred in the past six years, demonstrating the effectiveness of IQ-group's risk management framework.

ECONOMIC PERFORMANCE (Cont'd)

5.3 DATA PRIVACY & SECURITY (Cont'd)

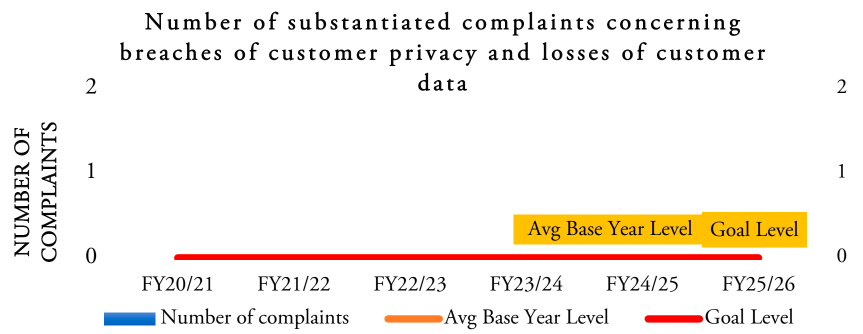
4. Metrics & Targets

IQ-group tracks and monitors data privacy and security performance using quantifiable metrics and regular reporting mechanisms. The following table outlines key performance indicators, measurement frequency, and targets.

Metric	Description	Frequency	Target
Substantiated complaints (breach of customer privacy)	Tracked via MIS Support Requisition system	Ongoing / Monthly	Zero substantiated complaints
Identified leaks, thefts, or losses of data	Documented through incident reports	Per incident / Monthly	Zero incidents
Data Security & Protection Report	Internal MIS report reviewing system integrity and threats	Monthly	100% submission and review
Data Security & Protection Management Review	Management-level review of security posture and improvement actions	Monthly	100% completion with corrective actions tracked
Backup integrity test	Regular restoration testing of backup data	Monthly	100% successful restore
Software audit	Audit of installed software across all user computers	Every 6 months	100% compliance with licensed software policy
MIS asset physical sighting	Random sampling to verify existence and location of MIS assets	Every 6 months	100% accuracy
Password policy compliance	Enforcement of password complexity, expiry, and history requirements	Continuous	100% user compliance

Historical Performance for the Past Six Financial Years (FY20/21 to FY25/26)

Indicator	Result
Data breaches	0
Data losses	0
Substantiated complaints (customer privacy)	0



AUDIT COMMITTEE REPORT

The Board of Directors of IQ Group Holdings Berhad ("the Board") is pleased to present the report on Audit Committee for the financial year ended 31 March 2026

INTRODUCTION

The Audit Committee was established on 26 July 2005, prior to the listing of IQ Group Holdings Berhad on the Main Board of Bursa Malaysia on 10 October 2005.

The purpose of the Audit Committee is to assist the Board in the effective discharge of its fiduciary responsibilities for corporate governance, timely and accurate financial reporting and development of sound internal controls.

COMPOSITION OF THE COMMITTEE AND MEETINGS

The Audit Committee comprises the following members:-

Chairman : Tan Boon Hoe
(Senior Independent Non-Executive Director)

Members : Teresa Tan Siew Kuan
(Independent Non-Executive Director)

Koay Huck Khim
(Independent Non-Executive Director)

During the financial year ended 31 March 2026, a total of seven (7) meetings were held. The details of attendance of each member at the committee meetings held during the financial year are as follows:

	Number of Audit Committee Meetings	
Directors	**Attended**	**Held**
Tan Boon Hoe	7	7
Teresa Tan Siew Kuan	7	7
Koay Huck Khim	7	7

SUMMARY TERMS OF REFERENCE OF THE COMMITTEE

1. Objectives of Audit Committee

- To assist the Board of Directors in discharging its statutory duties and responsibilities relating to accounting and reporting practices of the Group;
- Evaluate the quality of the audit conducted by the internal and external auditors;
- Oversee the financial information presented by management to ensure it is factual, reliable and timely;
- Oversee compliance with laws and regulations and observance of a proper code of conduct which is in accordance with Code of Business Conduct and Ethics; and
- Determine the adequacy of the Group's control environment.

2. Members

- The Audit Committee shall consist not less than three members, comprising Non-Executive Directors, with a majority being Independent Directors.
- Chairman of the Board shall not be a member of the Committee.

AUDIT COMMITTEE REPORT (Cont'd)

SUMMARY TERMS OF REFERENCE OF THE COMMITTEE (Cont'd)

2. Members (Cont'd)

- At least one member of the Audit Committee must be a member of the Malaysian Institute of Accountants, or if he is not a member of the Malaysian Institute of Accountants, must have at least three years working experience and either have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967, or fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad.
- A former key audit partner and/or the affiliate firm (including those providing advisory services, tax consulting etc.) of the Company or any entity within the Group must observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee.
- The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an Independent Non-Executive Director.
- No alternate Director shall be appointed as a member of the Committee.
- A member who wishes to retire or resign from IQGHB shall notify the Board in writing by giving at least three (3) months' notice or such shorter period as may be agreed by the Board.
- If a member of the Audit Committee, for whatever reason, ceases to be a member with the result that the number of members is reduced below three, the Board of Directors shall, within three months of the event, appoints such number of new members as may be required to make up the minimum number of three members.

3. Authority

- The Committee shall have unlimited access to all information and documents relevant to its activities, to the internal and external auditors, and to the employees of the Group.
- The Committee shall also be able to convene meetings with the external Auditors, the internal Auditors or both, excluding the attendance of other directors and employees of the Company, whenever deemed necessary.
- The Committee shall have the authority to obtain independent legal or other professional advice, as it considers necessary.
- The Committee has the power to establish Sub-Audit Committee(s) to carry out certain investigation on behalf of the Committee in such manner, as the Committee shall deem fit and necessary.

4. Meetings

- The Committee is at liberty to determine the frequency of its meetings, which in any event shall not be less than four (4) times a year.
- The quorum shall consist of two (2) members, majority of the members present must be Independent Directors.

5. Attendance at meetings

- The Group Financial Controller and a representative of the external and internal Auditors are invited to attend the meeting as and when necessary. Other Board members may attend meetings upon the invitation of the Committee.
- The Committee should meet with the external Auditors without executive Board members present at least twice a year. The Committee may invite any person to be in attendance to assist in its deliberations.
- The Company Secretary shall be the Secretary of the Committee and shall be responsible for drawing up the agenda with concurrence of the chairperson and circulating it, supported by explanatory documentation to committee members prior to each meeting.

6. Duties

The duties of the Audit Committee include the followings:

- to consider and recommend the appointment and re-appointment of the external Auditors, the audit fee and any questions of resignation or dismissal, if any;
- to assess the suitability, objectivity and independent of the auditor annually.
- to establish policies and procedures to address the criteria on the appointment and re-appointment of the external auditors and appropriateness of audit fees to support a quality audit.
- to discuss with the external Auditors on their audit plan including the assistance given by the employees of the Company to the external Auditors;

AUDIT COMMITTEE REPORT (Cont'd)

SUMMARY TERMS OF REFERENCE OF THE COMMITTEE (Cont'd)

6. Duties (Cont'd)

- to review the quarterly and year-end financial statements of the Company, focusing particularly on:
    - any changes in accounting policies and practices;
    - significant adjustments arising from the audit;
    - the going concern assumption;
    - compliance with accounting standards and other legal requirements; and
    - any significant and unusual events.
- to review the financial reporting process, detect financial irregularities and to ascertain that the financial statements are consistent with operational information.
- to consider any related party transaction and conflict of interest situation that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity;
- to review the major risk area of the Group;
- to discuss problems and reservations arising from the interim and final audits, and any matter the auditors may wish to discuss (in the absence of management where necessary);
- to review evaluation by the External Auditors on the System of Internal Controls, the external Auditors' management letter and management's response;
- to do the following where an internal audit function exists:
    - review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work;
    - review the internal audit programme, processes, results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
    - review any appraisal or assessment of the performance of members of the internal audit function;
    - approve any appointment or termination of senior staff members of the internal audit function;
    - review the resignation of internal audit staff members and provide the staff member the opportunity to submit his reasons for resigning;
- to maintain and keep under review the whistle-blowing mechanism of the Group;
- to consider the major findings of internal investigations and management's response;
- to consider other topics as defined by the Board.

7. Reporting

- The Committee is authorised to regulate its own procedures and in particular the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.
- The minutes of meetings shall be circulated by the Secretary of the Committee to the Committee members and all the other Board members.

SUMMARY OF WORK PERFORMED DURING THE FINANCIAL YEAR

During the financial year under review, the Audit Committee in the discharge of its functions and duties had carried out the following activities to meet its responsibilities: -

Financial Reporting

- Reviewed the unaudited quarterly financial results before recommend the same to members of the Board for approval prior to the announcement to Bursa Malaysia Securities Berhad. The Audit Committee review is to ensure that the report presented a true and fair view of the Group's financial performance.

AUDIT COMMITTEE REPORT (Cont'd)

SUMMARY OF WORK PERFORMED DURING THE FINANCIAL YEAR (Cont'd)

Financial Reporting (Cont'd)

- Reviewed the annual audited financial statement of the Company and the Group with the external auditors prior to submission to the Board of Directors for approval. The review was to ensure that the financial reporting and disclosures are in compliance with relevant rules, regulations and approved accounting standards.

External Audit

- Reviewed the re-appointment of the external auditors and their remuneration. This is to ensure competency and effectiveness of the external auditor.
- Reviewed the external auditor's audit plan to ensure adequacy of the scope of work for the year.
- Reviewed and discussed the findings arising from the audit carried out by the external auditors and follow up actions with the management if necessary.
- Reviewed and approved the non-audit services by the external auditors. This is to ensure that independence and objectivity of the External Auditor are not compromised.
- Had private meetings with the External Auditor on two (2) occasions to ensure that there are no restrictions on the scope of their audit and to discuss on significant matters highlighted including financial reporting issues, significant judgements, unusual transactions that arose during the course of audit.

Internal Audit

- Reviewed the adequacy of the scope, functions, resources and competency of the internal audit function of the group.
- Reviewed the performance of the internal auditors. This is to ensure competency and effectiveness of the internal auditor before their reappointment.
- Reviewed the Internal Audit Plan tabled by the outsourced internal auditors. This is to ensure the adequacy of audit scope and coverage on auditable entities with significant high risks.
- Reviewed and deliberated the Internal Audit Report tabled during the year, the audit recommendations made and the management response to those recommendations. Significant issues were discussed with the management to ensure satisfactory response to address identified risks.

Related Party Transactions

- Reviewed the quarterly updates on the related party transactions entered into by the Group as to ensure that there is no conflict of interest situations and related party transactions were at arm's length.
- Reviewed the circular to shareholders relating to the proposed renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature prior to recommending it for Board's approval.

Risk Management

- Reviewed the Enterprise Risk Management (ERM) or Principle Business Risks of the Group and provide guidance on the action plans to address the identified risks.
- Evaluated the overall adequacy and effectiveness of the system of internal controls through review the work performed by both internal and external auditors and discussions with the management.

Annual Reporting

- Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control prior to recommendation to the Board for inclusion into the Company's Annual Report.

STATEMENT ON EMPLOYEE SHARE OPTION SCHEME BY THE COMMITTEE ("ESOS")

IQ Group Holdings Berhad Employee Share Option Scheme ("ESOS") was established on 9 September 2005. On 27 May 2010, the Company has extended the ESOS for a period of 5 years commencing from 9 September 2010 on the same terms and conditions as mentioned in the By-Laws. The ESOS has expired on 8 September 2015. There is no new establishment ESOS scheme after the expiration.

NOMINATION COMMITTEE REPORT

The Nomination Committee was established on 26 July 2005, prior to the listing of IQ Group Holdings Berhad ("IQGHB") on the Main Board of Bursa Malaysia on 10 October 2005. The Committee comprised the following members:

Chairman : Teresa Tan Siew Kuan
(Independent Non-Executive Director)

Members : Tan Boon Hoe
(Senior Independent Non-Executive Director)

Koay Huck Khim
(Independent Non-Executive Director)

One (1) meeting was held during the financial year ended 31 March 2026. The details of attendance of each member at the committee meeting held during the financial year are as follows:

	Number of Remuneration Committee Meetings	
Directors	**Attended**	**Held**
Teresa Tan Siew Kuan	1	1
Tan Boon Hoe	1	1
Koay Huck Khim	1	1

TERMS OF REFERENCE OF NOMINATION COMMITTEE

1. Members

The Nomination Committee ("NC") of IQGHB ("the Company") shall consist of not less than 3 Directors appointed by IQGHB Board of Directors ("IQGHB Board"), all of whom should be Non-Executive Directors.

No Alternate Director shall be appointed as a Member of the Committee unless he/she is an Alternate to the NC Member.

The Chairman shall be elected by the members of the NC and shall be the Independent Director. In the absence of the Committee Chairman, the remaining members present shall elect one of their members to chair the meeting.

Chairman of the Board shall not be a member of the Committee.

A member who wishes to retire or resign from IQGHB shall notify the Board in writing by giving at least three (3) months' notice or such shorter period as may be agreed by the Board.

If a member, for any reason, ceases to be a member, IQGHB Board shall, within three (3) months of the event, appoint a new member so that the number of members does not fall below three.

The office of a member shall become vacant upon the member's resignation / retirement / removal or disqualification as a Director of the Company.

A Secretary shall be nominated by the NC.

2. Duties

The NC shall make recommendations to IQGHB Board on the appointment of new executive and non-executive Directors, including making recommendations to the composition of the Board generally and the balance between executive and non-executive Directors appointed to the Board.

The NC shall ensure that the positions of the Chairman and CEO are held by different individuals.

The NC shall regularly review the Board structure, size, gender diversity and composition and make recommendations to the Board with regards to any adjustment that are deemed necessary.

NOMINATION COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF NOMINATION COMMITTEE (Cont'd)

2. Duties (Cont'd)

The NC shall review the participation of women in senior management to ensure there is healthy talent pipeline.

The NC shall review the suitability and eligibility of nominated candidates for the approval of the Board, to fill Board and Senior Management vacancies as and when they arise as well as put in place plans for succession including considering the following independent sources to identify suitable qualified candidates.

- Directors' registry
- Industry and professional associations
- Open advertisements
- Independent search firms

The NC shall evaluate and review performance of the Board and senior management including, taking into consideration the company's performance in managing material sustainability risks and opportunities.

The NC shall make recommendation to IQGHB Board to fill the seats on the Board Committee.

The NC shall put in place the Board and Senior Management Succession Plan.

The NC shall recommend Directors who are retiring by rotation under the Articles of Association to be put forward for re-election.

The NC shall decide whether or not a Director is able to and has been adequately carrying out his/her duties as a Director, particularly when he/she has multiple board representatives.

The NC shall have due regard to the principles of governance and code of best practice.

The NC shall liaise with IQGHB Board in relation to the preparation of the NC's report to shareholders (in the annual report) as required.

The NC shall keep under review the leadership needs of the organization with a view of ensuring the continued ability to compete effectively in the organization's marketplace.

The NC shall conduct annual performance assessments on individual directors, Board Committees and the Board as a whole based on the following criteria:

(a) Competence
(b) Time commitment
(c) Integrity
(d) Character
(e) Experience
(f) Contribution; and
(g) Performance

The NC shall recommend training programmes for Directors with considerations on the results from the annual assessment of Directors conducted. The NC shall ensure training in relation to anti-corruption management are developed for Directors for continuous improvement.

The NC shall undertake an annual assessment of the independence of its Independent Non-Executive Directors based on the criteria set in the Bursa Securities Main Market Listing Requirements and Malaysia Code on Corporate Governance, taking into consideration of their probity with law and adherence to governance practices including anti-corruption policies and procedures.

The NC shall ensure all Directors comply to the Code of Business Conduct and Ethics, where declaration of personal business interest are being performed on annual basis to avoid conflict of interest.

The NC shall review own performance annually and recommend changes to the Term of Reference.

The NC shall review the Term of Office and performance of the Audit Committee and each of its members annually and to determine whether the Audit Committee has carried out their duties in accordance to its Term of reference.

NOMINATION COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF NOMINATION COMMITTEE (Cont'd)

3. Meetings

The meetings of the NC may be conducted by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as aforesaid.

A resolution in writing signed or approved by letter or facsimile by a majority of members (of whom at least one must be an independent Director) shall be effective for all purposes as if it were a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may consist of a single document or several documents all in like form each signed by one or more members.

Meetings of the NC will be held as the NC deems to be appropriate; however, the NC should meet at least once each year. Meetings should be organized so that attendance is maximized. A meeting may be called, at any other time, by the Chairman of the NC or any member of the NC. Any Director or management may be invited to the meetings.

The notice of each meeting of the NC, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the NC not fewer than five (5) business days prior to the date of the meeting.

The quorum for decisions of the NC shall be any two members, including at least one independent Director, present and voting on the matter for decision.

Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.

The Chairman (or in his absence, an alternate to the member of the NC) of the NC shall attend the Annual General Meeting and be prepared to answer questions concerning the appointment of executive and non-executive Directors.

Minutes of meetings shall be taken by the NC Secretary. Minutes of all meetings shall be confirmed by the Chairman of the meeting and circulated to all the members of the NC.

If the Chairman of the NC so decides the minutes shall be circulated to other members of IQGHB Board, any Director may, provided that there is no conflict of interest and with the agreement of the Chairman, obtain copies of the NC's minutes.

4. General

The NC in carrying out its tasks under these terms of reference, may obtain such external or other independent professional advice as it considers necessary to carry out its duties.

IQGHB Board will ensure that the NC will have access to professional advice both internally and externally at the Company's expense in order for it to perform its duties.

These terms of reference may from time to time be amended as required, subject to the approval of IQGHB Board.

5. Reporting

The NC is authorised to regulate its own procedures and in particular the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.

The minutes of meetings shall be circulated by the Secretary of the Committee to the Committee members and all the other Board members.

NOMINATION COMMITTEE REPORT (Cont'd)

SUMMARY OF ACTIVITIES FOR THE FINANCIAL YEAR

During the financial year under review, the activities of the Nomination Committee include the following:

a) Discussed and recommended the re-election of Directors retiring in accordance with the Company's Constitution.
b) Assessed the independence of Independent Directors.
c) Reviewed the required mix of skills, experience and other qualities including core competencies of Non-Executive Directors.
d) Assessed the effectiveness of the Board as a whole and the Committee of the Board as well as contribution by each Director.
e) Reviewed and assessed the character, experience, integrity and competency of the Group Financial Controller.
f) Reviewed the term of office and performance of the Audit Committee and each of its members.
g) Reviewed the terms and reference of the Nomination Committee and to recommend any necessary changes.
h) Discussed the types of training the Directors have to undergo.
i) Reviewed Directors' Fit and Proper Policy and to recommend changes, if necessary.
j) Discussed on the change in the Board Committees.

REMUNERATION COMMITTEE REPORT

The Remuneration Committee was established on 26 July 2005, prior to the listing of IQ Group Holdings Berhad ("IQGHB") on the Main Board of Bursa Malaysia on 10 October 2005. The Committee comprises the following members:

Chairman : Koay Huck Khim
(Independent Non-Executive Director)

Members : Tan Boon Hoe
(Senior Independent Non-Executive Director)

Teresa Tan Siew Kuan
(Independent Non-Executive Director)

Three (3) meetings were held during the financial year ended 31 March 2026. The details of attendance of each member at the committee meetings held during the financial year are as follows: -

	Number of Remuneration Committee Meetings	
Directors	**Attended**	**Held**
Koay Huck Khim	3	3
Tan Boon Hoe	3	3
Teresa Tan Siew Kuan	3	3

TERMS OF REFERENCE OF REMUNERATION COMMITTEE

1. Members

The Remuneration Committee (the "RC") of IQGHB ("the Company") shall be appointed by IQGHB Board of Directors ("IQGHB Board") from amongst its members, and shall comprise not less than 3 members, with all being non-executive and a majority of them being independent directors.

No Alternate Director shall be appointed as a Member of the Committee unless he/she is an Alternate to a RC Member.

The Chairman shall be elected by members of the RC. In the absence of the committee Chairman, the remaining members present shall elect one of their members to chair the meeting.

Chairman of the Board shall not be a member of the Committee.

A Secretary shall be nominated by the RC.

A member who wishes to retire or resign from IQGHB shall notify the Board in writing by giving at least three (3) months' notice or such shorter period as may be agreed by the Board.

If a member, for any reason, ceases to be a member, IQGHB Board shall, within three (3) months of the event, appoint a new member so that the number of members does not fall below three.

The office of a member shall become vacant upon the member's resignation / retirement / removal or disqualification as a Director of the Company.

2. Meetings

The meetings of the RC may be conducted by means of telephone conferencing or other methods of simultaneous communication by electronic or telegraphic means and the minutes of such a meeting signed by the Chairman shall be conclusive of any meeting conducted as aforesaid.

A resolution in writing signed or approved by letter or facsimile by a majority of members shall be effective for all purposes as if it were a resolution passed at a meeting of the Committee duly convened, held and constituted. Any such resolution may consist of a single document or several documents all in like form each signed by one or more members.

The meetings shall be held at least once a year. Additional meetings may also be held by the RC to discuss other issues, which the RC considers necessary.

REMUNERATION COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE OF REMUNERATION COMMITTEE (Cont'd)

2. Meetings (Cont'd)

The RC shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.

The RC shall appoint a secretary who shall attend all meetings and minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance. The minutes shall be confirmed by the Chairman of the meeting and circulated to all members of the RC.

The quorum necessary for the transaction of business shall be two, the majority of whom must be Non-Executive Directors. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretion vested or exercisable by the Committee.

Notice
The notice of each meeting of the RC, confirming the venue, time and date and enclosing an agenda of items to be discussed, shall other than under exceptional circumstances, be forwarded to each member of the RC not fewer than five (5) business days prior to the date of the meeting.

Voting
Each member present shall have one vote. All resolutions passed in the meeting shall be by majority votes. If the votes for and against a resolution are equal, the Chairman of the meeting shall have a casting vote.

3. Duties

The duties of the RC as below shall be reviewed on an annual basis.

(i) to review and recommend to IQGHB Board of Directors in consultation with Management and the Chairman of the Board, a framework of remuneration and to determine the specific remuneration packages and terms of employment for each of the executive Directors and senior executives/divisional Directors those reporting directly to the Chairman and/or the Group Managing Director/CEO of the Group including those employees related to the executive Directors and controlling shareholders of the Group, having regard to among others, Company's performance in managing material sustainability risks and opportunities, the Group's operating results, individual performance and comparable market statistics.

(ii) to recommend to IQGHB Board in consultation with Management and the Chairman of the Board, any long term incentive schemes which may be set up from time to time and to do all acts necessary in connection herewith.

(iii) to carry out its duties in the manner that it deemed expedient, subject always to any regulations or restrictions that may be imposed upon the RC by IQGHB Board from time to time.

(iv) the RC shall have full discretion with regard to the calling of the meetings and the proceedings thereat and may invite any Director or management to its meetings.

(v) to review the remuneration for Non-Executive Directors and Independent Directors are linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.

4. General

The RC in carrying out its tasks under these terms of reference, may obtain such external or other independent professional advice, as it considers necessary to carry out its duties.

IQGHB Board will ensure that the RC has access to professional advice both internally and externally at the Company's expense in order for it to perform its duties.

These terms of reference may from time to time be amended as required, subject to the approval of the Board.

5. Reporting

The RC is authorised to regulate its own procedures and in particular the calling of meetings, the notice to be given of such meetings, the voting and proceeding thereat, the keeping of minutes and the custody, production and inspection of such meetings.

The minutes of meetings shall be circulated by the Secretary of the Committee to the Committee members and all the other Board members.

REMUNERATION COMMITTEE REPORT (Cont'd)

SUMMARY OF ACTIVITIES FOR THE FINANCIAL YEAR

During the financial year under review, the activities of the Remuneration Committee include the followings:

a) Discussed and reviewed the payment of Directors' Fees for the financial year ended 31 March 2026.
b) Discussed and reviewed the remuneration of the Executive Directors for the financial year ended 31 March 2026.
c) Discussed and reviewed the remunerations of Senior Executives of the Group for the financial year ended 31 March 2026.
d) Reviewed the performance Bonus and Retention Incentive of CEO.
e) Discussed and reviewed the payment of Directors' benefit in accordance with Section 230(1) of the Company Act 2016.
f) Reviewed the Terms of Reference of the Remuneration Committee and recommend changes, if necessary.

ADDITIONAL COMPLIANCE INFORMATION

The information set out below is disclosed in compliance with Bursa Securities Main Market Listing Requirements

1. UTILISATION OF PROCEEDS

The Company did not undertake any corporate proposal to raise proceeds during the financial year ended 31 March 2026.

2. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees paid and payable to the external auditors, Deloitte Malaysia PLT (formerly known as Deloitte PLT) in Malaysia by the company and the Group for the financial year ended 31 March 2026 were as follows:

	Company	Group
Audit Fee (RM)	126,000	244,000
Non Audit Fee (RM)	34,000	88,500

The details on of the Non-audit fee are shown below:-

	Company	Group
Review of Statement on Risk Management & Internal Control (RM)	4,000	4,000
Tax Compliance Service (RM)	16,000	37,500
Transfer Pricing Services (RM)	14,000	47,000
Total	34,000	88,500

3. MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts entered into by the Company and its subsidiaries involving the interests of Directors and major Shareholders, either still subsisting as at 31 March 2026 or since the end of previous financial year ended 31 March 2025.

4. RECURRENT RELATED PARTY TRANSACTIONS ("RRPT")

Significant transactions between the Group and its related parties during the financial year were as follows:

Sensorlite Inc. (formerly known as Interquartz Taiwan Ltd.)	**RM**
Purchase of raw materials	1,533,450
Rental paid/ payable	1,008,988

IQ (America) Inc.	**RM**
Sales of finished goods	5,780,331

The relationships between IQ Group Holdings Berhad ("IQGHB") and the related parties are as follows:

Sensorlite Inc.
Mr. Chen, Wen-Chin also known as Kent Chen, the Group Executive Chairman and Substantial Shareholder of IQGHB is also the Director and Substantial Shareholder of Sensorlite Inc.

IQ (America) Inc.
Mr. Chen, Wen-Chin also known as Kent Chen, is the Director and Substantial Shareholder of Sensorlite Limited. Sensorlite Limited is the Substantial Shareholder of IQGHB and the holding company of IQ (America) Inc.

The Directors are of the opinion that the above transactions have been entered into in the normal course of business and have been established under terms that are no less favorable than those arranged with independent third parties.

5. ACCOUNTS

The Group Financial Controller of IQ Group Holdings Berhad signed the statutory declaration in relation to the financial statements for the year ended 31 March 2026. She is a member of the Malaysian Institute of Accountants and thus fulfills the requirement of Paragraph 9.27 of Bursa Malaysia Securities Berhad Main Market Listing Requirements.

ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

Restricted (Terhad)

6. DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements/ Paragraph 9.41(b) of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

		Group	
Total Income	**Remarks**	**2026 (RM)**	**2025 (RM)**
Revenue		103,848,247	110,346,126
Interest income		755,954	732,200
Other income		287,106	344,631
Others (please specify in the remarks column)	Government grant received	198,975	355,175
Total		**105,090,282**	**111,778,132**
Total Assets		**137,758,014**	**151,727,741**

(B) Business Activities

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2026 (RM)**	**2025 (RM)**
Interest income		755,954	732,200
Total		**755,954**	**732,200**

(C) Component of Financial Position

(i) Cash Component

		Group	
Islamic Account/Instruments	**Remarks**	**2026 (RM)**	**2025 (RM)**
Cash in hand		74,390	78,599
Total		**74,390**	**78,599**

Conventional Account/Instruments

Cash at bank (exclude cash in hand)		30,506,919	27,853,635
Deposits with licensed bank		25,685,000	27,990,000
Total		**56,191,919**	**55,843,635**

(ii) Debt Component

		Group	
Islamic Financing	**Remarks**	**2026 (RM)**	**2025 (RM)**
Current		N/A	N/A
Non-Current		N/A	N/A
Total		N/A	N/A

		Group	
Conventional Borrowing	**Remarks**	**2026 (RM)**	**2025 (RM)**
Current			
Bank borrowings		-	491,000
Non-Current		-	-
Total		**-**	**491,000**

IQ-group

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DIRECTORS' REPORT

The directors of **IQ GROUP HOLDINGS BERHAD** hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended March 31, 2026.

PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding and providing management services. The principal activities and other information relating to the subsidiaries are as stated in Note 16 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
Loss for the year attributable to owners of the Company	8,553,388	8,709,472

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature, except for an allowance for inventories obsolescence amounting to RM1,293,569 and an impairment loss on investment in subsidiary companies amounting to RM8,740,097 as disclosed in Notes 16 and 18 to the financial statements.

DIVIDEND

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

The directors also do not recommend any dividend payment in respect of current financial year.

RESERVES AND PROVISIONS

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

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any new shares or debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As of the end of the financial year, there were no unissued shares of the Company under options.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps:

(a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that there were no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and

(b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

As of the date of this report, the directors are not aware of any circumstances:

(a) which would require the writing off of bad debts or render the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or

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

(c) 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

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

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

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

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability 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 its obligations when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made, except for the cessation of manufacturing operations of IQ Group Sdn. Bhd. as disclosed in Note 36 to the financial statements.

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:

Chen, Wen-Chin also known as Kent Chen
Daniel John Beasley
Tan Boon Hoe
Chen, Yi-Chung
Teresa Tan Siew Kuan
Koay Huck Khim

DIRECTORS' REPORT (Cont'd)

DIRECTORS (Cont'd)

The directors who held office in the subsidiary companies of the Company during the financial year and up to the date of this report are:

Direct subsidiary companies	Directors of the subsidiary companies
IQ Group Sdn. Bhd.	Chen, Wen-Chin also known as Kent Chen Daniel John Beasley Choong Bee Gnoh Chee Ting Ting (Alternate to Chen, Wen-Chin also known as Kent Chen) Loo Weng Keong
IQ Group (Dongguan) Ltd.	Daniel John Beasley Wong Kwok Hon Loo Weng Keong
IQ Group (Wuning) Ltd	Daniel John Beasley Wong Kwok Hon Loo Weng Keong
IQ Japan Co., Ltd.	Chen, Wen-Chin also known as Kent Chen Daniel John Beasley Hisayuki Tominaga
SILQ (Malaysia) Sdn. Bhd.	Chen, Wen-Chin also known as Kent Chen Daniel John Beasley

DIRECTORS' INTERESTS

The interests in shares of the Company of those who were directors at the end of the financial year, according to the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016, are as follows:

	No. of ordinary shares			
Shares in the Company	Balance as of April 1, 2025	Bought	Sold	Balance as of March 31, 2026
Direct interests:				
Chen, Wen-Chin also known as Kent Chen	16,895,701	-	-	16,895,701
Daniel John Beasley	40,000	-	-	40,000
Indirect interests:				
Chen, Wen-Chin also known as Kent Chen (through Sensorlite Limited*, Sensorlite Investments Limited* and his spouse)	41,171,451	-	-	41,171,451

* A company in which a director, Mr. Chen, Wen-Chin also known as Kent Chen has substantial interests and is a director.

By virtue of his interests in the shares of the Company, Mr. Chen, Wen-Chin also known as Kent Chen is also deemed to have beneficial interests in the shares of all the subsidiary companies of IQ Group Holdings Berhad to the extent that IQ Group Holdings Berhad has an interest.

None of the other directors in office as of the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' REPORT (Cont'd)

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the directors of the Group and of the Company have received or become entitled to receive a benefit (other than a benefit included in the aggregate of remuneration and benefits-in-kind received or due and receivable by directors or the fixed salary of a full-time employee of the Group and of the Company amounting to RM5,421,871 and RM3,042,930 respectively) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for any benefits which may be deemed to have arisen by virtue of transactions mentioned in Note 32 to the financial statements.

During and as of the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains directors' liability insurance for the purpose of Section 289 of the Companies Act 2016, throughout the financial year, which provides appropriate insurance cover for the directors of the Company. The amount of insurance premium paid during the year, which was borne by the Company amounted to RM16,200.

There was no indemnity given to or insurance effected for officers and auditors of the Company in accordance with Section 289 of the Companies Act 2016.

SUBSEQUENT EVENT

The details of subsequent event is disclosed in Note 36 to the financial statements.

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors of the Group and of the Company for the financial year ended March 31, 2026 are RM634,503 and RM130,000 respectively.

AUDITORS

The auditors, Deloitte Malaysia PLT (formerly known as Deloitte PLT), have indicated their willingness to continue in office.

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

CHEN, WEN-CHIN ALSO KNOWN AS KENT CHEN

DANIEL JOHN BEASLEY

Penang,

June 29, 2026

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of IQ Group Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as of March 31, 2026, 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 year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 12 to 79.

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 of March 31, 2026, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Key Audit Matters	Our audit performed and responses thereon
1. Capitalisation and impairment assessment of product development costs	
The Group capitalised product development costs for its lighting products. As of March 31, 2026, the carrying amount of product development costs is approximately RM4.09 million. Management exercises significant judgement in determining whether the product development costs qualify for capitalisation by assessing the requirements for recognition in accordance with MFRS 138 *Intangible Assets*, which includes among others, the technical feasibility of the products developed and the ability to generate future economic benefits. The criteria for capitalisation of product development costs are disclosed in Note 3 to the financial statements. In accordance with the Group's accounting policy, the Group performs an impairment assessment of capitalised development costs for products that are not yet available for use at least annually, and whenever there is an indication that the asset may be impaired.	We obtained an understanding of management's business process and criteria surrounding the capitalisation and impairment assessment of product development costs and we tested the design and implementation of its relevant controls. We performed audit procedures over the capitalisation of product development costs which included, among others, assessing the recognition criteria for product development costs; conducting discussions with relevant personnel; observing the authorisation of the development stage of the product; challenging the key assumptions and estimates used by management in assessing the technical feasibility of the products developed and the ability to generate future economic benefits; testing the accuracy and occurrence of costs capitalised; and assessing the useful economic life attributed to the product.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IQ GROUP HOLDINGS BERHAD
(Incorporated in Malaysia) (Cont'd)

Key Audit Matters (Cont'd)

Key Audit Matters	Our audit performed and responses thereon
1. Capitalisation and impairment assessment of product development costs (Cont'd)	
For capitalised development costs for products with finite useful lives, management performed an impairment assessment should there be indicators of impairment. Management judgement and assumptions are applied to determine the recoverable amount, which is also influenced by current and future economic developments.	We obtained management-prepared impairment assessment for the product development costs and evaluated the appropriateness of impairment indicators assessment and since the indicator existed, we assessed the reasonableness of the key assumptions and estimates used in the impairment assessment.
The Group's product development costs that have been capitalised during the financial year are approximately RM1.0 million which are disclosed in Note 15 to the financial statements. The key sources of estimation uncertainty on the product development costs capitalised and impairment assessment are disclosed in Notes 4 and 15 to the financial statements.	We also considered the adequacy of the Group's disclosures of management's judgements and estimates in relation to capitalisation and impairment assessment for product development costs.

We have not identified any key audit matter pertaining to the financial statements of the Company for the financial year ended March 31, 2026.

Information Other than the Financial Statements and Auditors' Report Thereon

The directors of the Company are responsible for the other information. The other information comprises the information included in the Group's annual report and the Directors' Report, but does not include the financial statements of the Group and of the Company and our auditors' report thereon. The Group's annual report is expected to be made available to us after the date of this auditors' report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

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

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

(Forward)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IQ GROUP HOLDINGS BERHAD
(Incorporated in Malaysia) (Cont'd)

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:

(a) 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.

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

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

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

(e) 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.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current 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.

(Forward)

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF IQ GROUP HOLDINGS BERHAD
(Incorporated in Malaysia) (Cont'd)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 16 to the financial statements.

Other Matter

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 content of this report.

DELOITTE MALAYSIA PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)

ADRIAN LAM KEEN LEONG
Partner – 03553/02/2027 J
Chartered Accountant

Penang,

June 29, 2026

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED MARCH 31, 2026

	Note	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
Revenue	5	103,848,247	110,346,126	6,682,389	6,262,522
Investment revenue	6	755,954	732,200	1,106,370	1,094,877
Other losses	7	(6,124,090)	(2,598,819)	(69,014)	(48,935)
Changes in inventories of finished goods and work-in-progress		(1,998,921)	(624,840)	-	-
Raw materials and consumables used		(38,919,596)	(42,686,028)	-	-
Purchase of trading goods		(3,719,455)	(250,699)	-	-
Employee benefit expenses	8	(38,227,072)	(39,179,711)	(5,993,540)	(5,825,852)
Depreciation and amortisation of non-current assets		(4,049,244)	(4,111,440)	(344,631)	(345,395)
Impairment loss on investment in subsidiary companies		-	-	(8,740,097)	(2,768,386)
Finance costs	9	(107,742)	(167,714)	(15,778)	(11,183)
Other expenses		(18,867,779)	(19,577,544)	(1,130,036)	(852,709)
(Loss)/Profit before tax	10	(7,409,698)	1,881,531	(8,504,337)	(2,495,061)
Tax expense	11	(1,143,690)	(1,391,245)	(205,135)	(208,465)
(Loss)/Profit for the year		(8,553,388)	490,286	(8,709,472)	(2,703,526)
Other comprehensive loss, net of income tax					
Items that will be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		(2,054,415)	(3,091,081)	-	-
Other comprehensive loss for the year, net of tax		(2,054,415)	(3,091,081)	-	-
Total comprehensive loss for the year		(10,607,803)	(2,600,795)	(8,709,472)	(2,703,526)
(Loss)/Profit for the year attributable to the owners of the Company		(8,553,388)	490,286	(8,709,472)	(2,703,526)
Total comprehensive loss attributable to the owners of the Company		(10,607,803)	(2,600,795)	(8,709,472)	(2,703,526)
(Loss)/Earnings per share					
Basic (sen per share)	12	(9.72)	0.56		
Diluted (sen per share)	12	(9.72)	0.56		

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

STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 31, 2026

	Note	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	13	8,588,978	9,142,722	185,819	289,427
Right-of-use assets	14	3,897,900	3,516,571	530,117	108,447
Product development costs	15	4,092,215	4,298,935	-	-
Investment in subsidiary companies	16	-	-	76,536,650	85,276,747
Deferred tax assets	17	870,242	956,634	31,464	31,464
Trade and other receivables	19	7,815,456	-	-	-
Total non-current assets		25,264,791	17,914,862	77,284,050	85,706,085
Current assets					
Inventories	18	24,700,176	28,995,093	-	-
Trade and other receivables	19	29,626,830	46,623,641	14,425,690	11,173,943
Tax assets		211,517	465,133	61,327	34,592
Other assets	20	1,688,391	1,806,778	2,000	2,000
Short-term deposits with licensed banks	21	25,685,000	27,990,000	25,100,000	27,400,000
Cash and bank balances	22	30,581,309	27,932,234	516,145	695,712
Total current assets		112,493,223	133,812,879	40,105,162	39,306,247
Total assets		137,758,014	151,727,741	117,389,212	125,012,332
EQUITY AND LIABILITIES					
Capital and reserves					
Issued capital	23	96,177,462	96,177,462	96,177,462	96,177,462
Reserves	24	2,105,375	4,159,790	-	-
Retained earnings	25	19,718,845	28,272,233	19,832,051	28,541,523
Total equity		118,001,682	128,609,485	116,009,513	124,718,985
Non-current liabilities					
Lease liabilities	27	1,895,709	1,569,685	330,087	-
Current liabilities					
Trade and other payables	28	16,003,012	18,849,890	843,018	180,584
Tax liabilities		897,096	1,362,260	-	-
Lease liabilities	27	960,515	845,421	206,594	112,763
Borrowings	26	-	491,000	-	-
Total current liabilities		17,860,623	21,548,571	1,049,612	293,347
Total liabilities		19,756,332	23,118,256	1,379,699	293,347
Total equity and liabilities		137,758,014	151,727,741	117,389,212	125,012,332

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026

The Group

		Non-distributable		Distributable	
	Issued capital RM	Translation reserve RM	Legal reserve RM	Retained earnings RM	Total RM
Balance as of April 1, 2024	96,177,462	7,125,735	125,136	27,781,947	131,210,280
Profit for the year	-	-	-	490,286	490,286
Other comprehensive loss for the year	-	(3,091,081)	-	-	(3,091,081)
Total comprehensive loss for the year	-	(3,091,081)	-	490,286	(2,600,795)
Balance as of March 31, 2025	96,177,462	4,034,654	125,136	28,272,233	128,609,485
Balance as of April 1, 2025	96,177,462	4,034,654	125,136	28,272,233	128,609,485
Loss for the year	-	-	-	(8,553,388)	(8,553,388)
Other comprehensive loss for the year	-	(2,054,415)	-	-	(2,054,415)
Total comprehensive loss for the year	-	(2,054,415)	-	(8,553,388)	(10,607,803)
Balance as of March 31, 2026	96,177,462	1,980,239	125,136	19,718,845	118,001,682

(Forward)

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026 (Cont'd)

The Company

	Issued capital RM	Distributable Retained earnings RM	Total RM
Balance as of April 1, 2024	96,177,462	31,245,049	127,422,511
Loss for the year	-	(2,703,526)	(2,703,526)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(2,703,526)	(2,703,526)
Balance as of March 31, 2025	96,177,462	28,541,523	124,718,985
Balance as of April 1, 2025	96,177,462	28,541,523	124,718,985
Loss for the year	-	(8,709,472)	(8,709,472)
Other comprehensive income for the year	-	-	-
Total comprehensive loss for the year	-	(8,709,472)	(8,709,472)
Balance as of March 31, 2026	96,177,462	19,832,051	116,009,513

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

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026

	The Group		The Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Cash flows from/(used in) operating activities				
(Loss)/Profit for the year	(8,553,388)	490,286	(8,709,472)	(2,703,526)
Adjustments for:				
Depreciation and amortisation of non-current assets	4,049,244	4,111,440	344,631	345,395
Unrealised loss on foreign exchange	2,832,125	856,268	100,769	37,602
Allowance for inventories obsolescence	1,293,569	-	-	-
Inventories written off	1,233,036	877,585	-	-
Tax expense recognised in profit or loss	1,143,690	1,391,245	205,135	208,465
Impairment loss on trade receivables	694,789	-	-	-
Impairment loss on property, plant and equipment	123,091	-	-	-
Interest expense	107,742	167,714	15,778	11,183
Inventories written down	77,541	62,358	-	-
Property, plant and equipment written off	8,255	2,422	1,785	-
Interest income	(755,954)	(732,200)	(1,106,370)	(1,094,877)
Loss on disposal of property, plant and equipment	-	13,333	-	-
Impairment loss on investment in subsidiary companies	-	-	8,740,097	2,768,386
	2,253,740	7,240,451	(407,647)	(427,372)
Movements in working capital:				
Decrease/(Increase) in:				
Inventories	345,498	2,754,625	-	-
Trade and other receivables	6,746,352	(1,196,850)	(3,261,747)	478,014
Other assets	(10,528)	(334,555)	-	-
(Decrease)/Increase in trade and other payables	(2,200,430)	607,200	(11,116)	(21,744)
Cash generated from/(used in) operations	7,134,632	9,070,871	(3,680,510)	28,898
Tax paid, net	(1,266,533)	(1,043,640)	(231,870)	(300,729)
Net cash from/(used in) operating activities	5,868,099	8,027,231	(3,912,380)	(271,831)
Cash flows from/(used in) investing activities				
Interest received	755,954	732,200	1,106,370	1,094,877
Proceeds from disposal of property, plant and equipment	6,460	61,188	-	-
Purchase of property, plant and equipment *	(1,498,082)	(1,318,333)	(28,338)	(13,382)
Additions to product development costs	(925,955)	(998,116)	-	-
Net cash (used in)/from investing activities	(1,661,623)	(1,523,061)	1,078,032	1,081,495

(Forward)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026 (Cont'd)

	Note	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
Cash flows from/(used in) financing activities					
Repayment of lease liabilities #		(1,022,347)	(1,052,485)	(212,222)	(216,817)
Repayment of borrowings		(491,000)	(1,002,000)	-	-
Interest paid		(107,742)	(167,714)	(15,778)	(11,183)
Net advances from/(repayment of advances to) a subsidiary company		-	-	673,550	(1,000,396)
Net cash (used in)/from financing activities		(1,621,089)	(2,222,199)	445,550	(1,228,396)
Net increase/(decrease) in cash and cash equivalents		2,585,387	4,281,971	(2,338,798)	(418,732)
Effect of foreign exchange rate changes		(2,241,312)	(1,396,175)	(90,769)	(56,799)
Cash and cash equivalents as of beginning of year		55,922,234	53,036,438	28,095,712	28,571,243
Cash and cash equivalents as of end of year	29	56,266,309	55,922,234	25,616,145	28,095,712

* During the financial year, the Group and the Company acquired property, plant and equipment by way of:

	Note	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
Cash settlements		1,498,082	1,318,333	28,338	13,382
Advanced payment in prior year	20	48,336	245,033	-	-
Total	13	1,546,418	1,563,366	28,338	13,382

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026 (Cont'd)

Cash outflows for leases as a lessee::

	Note	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
Included in net cash from operating activities:					
Payment relating to short-term and low-value asset leases	10	1,186,429	1,076,194	-	3,656
Included in net cash from financing activities:					
Repayment of lease liabilities		1,022,347	1,052,485	212,222	216,817
Interest paid for lease liabilities	9	100,114	112,511	15,778	11,183
Total cash outflows for leases		2,308,890	2,241,190	228,000	231,656

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's and Company's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, of future cash flows will be, classified in the Group's and the Company's statement of cash flows as cash flows financing activities:

The Group	1.4.2025 RM	Cash flows used in financing activities RM	Interest paid RM	Non-cash changes^ RM	31.3.2026
Borrowings	491,000	(491,000)	(7,628)	7,628	-
Lease liabilities	2,415,106	(1,022,347)	(100,114)	1,563,579	2,856,224
	2,906,106	(1,513,347)	(107,742)	1,571,207	2,856,224

	1.4.2024 RM	Cash flows used in financing activities RM	Interest paid RM	Non-cash changes^ RM	31.3.2025
Borrowings	1,493,000	(1,002,000)	(55,203)	55,203	491,000
Lease liabilities	3,294,919	(1,052,485)	(112,511)	285,183	2,415,106
	4,787,919	(2,054,485)	(167,714)	340,386	2,906,106

(Forward)

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026 (Cont'd)

	The Company				
	1.4.2025 RM	Cash flows (used in)/from financing activities RM	Interest paid RM	Non-cash changes^ RM	31.3.2026
Lease liabilities	112,763	(212,222)	(15,778)	651,918	536,681
Net advances from a subsidiary company	-	673,550	-	-	673,550
	112,763	461,328	(15,778)	651,918	1,210,231

	1.4.2024 RM	Cash flows (used in)/from financing activities RM	Interest paid RM	Non-cash changes^ RM	31.3.2025
Lease liabilities	329,580	(216,817)	(11,183)	11,183	112,763
Net advances from a subsidiary company	1,000,396	(1,000,396)	-	-	-
	1,329,976	(1,217,213)	(11,183)	11,183	112,763

^ Non-cash changes consist mainly interest accrued, foreign exchange differences and new leases entered.

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

NOTES TO THE FINANCIAL STATEMENTS

1. 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 providing management services. The information on the name, place of incorporation and operation, principal activities and percentage of issued share capital held by the Company in each subsidiary company are disclosed in Note 16.

The registered office of the Company is located at Suite A, Level 9, Wawasan Open University, 54, Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.

The principal place of business of the Company is located at 149, Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas, Fasa I (FTZ) Bayan Lepas, 11900 Penang, Malaysia.

The financial statements of the Group and of the Company were authorised for issue by the Board of Directors in accordance with a resolution of the directors on June 29, 2026.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Adoption of amendments to MFRSs

In the current year, the Group and the Company have applied the following amendment to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that is mandatorily effective for an accounting period that begins on or after April 1, 2025.

Amendments to MFRS 121	Lack of Exchangeability

The adoption of the above-mentioned amendment to MFRSs did not has any material impact on the amounts reported in the financial statements of the Group and of the Company upon its initial application.

New and revised Standards in issue but not yet effective

The Group and the Company have not applied the following new and revised MFRS that have been issued but are not yet effective:

Amendments to MFRS 7 and MFRS 9	Classification and Measurement of Financial Instruments[a]
Amendments to MFRS 7 and MFRS 9	Contracts Referencing Nature-dependent Electricity[a]
Amendment to MFRSs	Annual Improvements to MFRS Standards - Volume 11[a]
MFRS 18	Presentation and Disclosure in Financial Statements[b]
MFRS 19	Subsidiaries without Public Accountability: Disclosures[b]
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures[b]
Amendments to MFRS 121	Translation to a Hyperinflationary Presentation Currency[b]
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[c]

[a] Effective for annual periods beginning on or after January 1, 2026, with earlier application permitted.
[b] Effective for annual periods beginning on or after January 1, 2027, with earlier application permitted.
[c] Effective date deferred to a date to be announced by MASB.

The directors anticipate that the above-mentioned new and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these new and revised amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application except for the presentation and disclosure required by MFRS 18 which introduces new categories and subtotals in the statements of profit or loss. It also requires the disclosure of management-defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information. The Group and the Company are currently assessing the impact of the adoption of MFRS 18 since the effects would only be observable for the future periods.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of accounting

The financial statements of the Group and of the Company have been prepared on the basis of historical cost, except for certain financial instruments that are measured at amortised cost or at fair value as of the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group and the Company take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability as of the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of MFRS 16 *Leases* and measurements that have some similarities to fair value but are not fair value, such as net realisable value in MFRS 102 *Inventories* or value in use in MFRS 136 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

(a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access as of the measurement date;
(b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
(c) Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Revenue recognition

The Group and the Company recognise revenue from sales of goods. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group and the Company recognise revenue when it transfers control of a product or service to a customer. Revenue is reduced for estimated customer returns, rebates, sales commission and other similar allowances.

Revenue from contract with customers

Manufacturing sales – At a point in time

The Group generates revenue from the sale of goods as disclosed in Note 5. Sales-related warranties associated with goods cannot be purchased separately and they serve as an assurance that the products sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets* consistent with its previous accounting treatment.

For sales of goods, revenue is recognised when control of the goods has transferred to the customer depending on the shipping term agreed with its customers. The shipping term of the Group's sales comprises of Ex Works ("EXW") and Free on Board ("FOB") terms.

Under the Group's standard contract terms, customers have a right of return for defective products. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognised for those products expected to be returned. At the same time, the Group has rights to recover the product when customers exercise their right of return and consequently recognises a right to returned goods asset and a corresponding adjustment to cost of sales. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognised will not occur given the consistent level of returns over previous years.

The Group concluded that under MFRS 15 *Revenue from Contracts with Customers*, the sales commission is a consideration payable to a customer. The Group determined that, they shall account for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Other income

Management fee and marketing service fee – Over time

Management fee and marketing service fee are recognised on an accrual basis.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the statements of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's and the Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(b) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed as of the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and the Company expect, as of the end of the reporting period, to recover or to settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and the Company intend to settle its current tax assets and liabilities on a net basis.

(c) Current and deferred tax for the year

Current and deferred tax are recognised as an expense or an income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Employee benefit expenses

(a) Short-term employee benefits

Wages, salaries, paid annual leave, bonuses and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by the employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plan

Contributions to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions. The Group and the Company have no further payment obligations once these contributions have been paid.

Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Ringgit Malaysia ("RM"), which is the functional currency of the Group and the Company, and the presentation currency for the consolidated financial statements.

Leases

(a) The Group and the Company as a lessee

The Group and the Company assess whether a contract is or contains a lease, at inception of the contract. The Group and the Company recognise a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and any impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group and the Company expect to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Leases (Cont'd)

(a) The Group and the Company as a lessee (Cont'd)

The right-of-use assets are presented as a separate line in the statements of financial position. The estimated useful lives of right-of-use assets are as follows:

Short-term leasehold land	60 years
Buildings	3 – 10 years
Motor vehicles	2 years

The Group and the Company apply MFRS 136 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the property, plant and equipment policy.

Property, plant and equipment

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Buildings	2%
Plant and machinery	12.5% & 20%
Factory equipment	20% & 50%
Air conditioners	10%
Furniture, fittings and office equipment	10%, 16.67% - 50%
Renovation	10%
Motor vehicles	16.67% & 20%
Electrical installations	10%

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any impairment loss. Depreciation of these assets in progress, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

All items of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment of tangible and intangible assets

As of the end of each reporting period, the Group and the Company review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group and the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets not yet available for use is tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows 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 for which the estimates of future cash flows have not been adjusted.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Impairment of tangible and intangible assets (Cont'd)

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Internally-generated intangible assets - Research and development expenditure and Product development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

(i) the technical feasibility of completing the intangible asset so that it will be available for use or sale;
(ii) the intention to complete the intangible asset and use or sell it;
(iii) the ability to use or sell the intangible asset;
(iv) how the intangible asset will generate probable future economic benefits;
(v) the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
(vi) the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets which considered to have finite useful lives, are reported at cost less accumulated amortisation and any accumulated impairment losses using the straight-line basis over the commercial lives of the underlying products over a period not exceeding four years.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, includes an appropriate portion of fixed and variable overhead expenses that have been incurred in bringing the inventories to their present location and condition. Cost is determined based on the standard cost method, which approximates actual purchase cost.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of raw materials consists of purchase price plus the cost of bringing the inventories to their present location. Cost of work-in-progress and finished goods consists of the cost of raw materials, direct labour and an appropriate proportion of factory overheads. Goods-in-transit is stated at cost.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Financial instruments

Financial assets and financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs that are directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

(i) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

(ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Impairment of financial assets

The Group and the Company recognise a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost, lease receivables and amounts due from customers. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at the end of each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group and the Company always recognise lifetime expected credit loss ("ECL") for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period, including time value of money where appropriate.

For all other financial instruments, the Group and the Company recognise lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group and the Company measure the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12 months ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Derecognition of financial assets

The Group and the Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group and the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group and the Company recognise its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group and the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Group and the Company continue to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when the transfer of the financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group and the Company, and commitments issued by the Group and the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not 1) contingent consideration of an acquirer in a business combination, 2) held-for-trading, or 3) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial guarantee contract liabilities

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contract liabilities are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of an asset, are measured subsequently a the higher of:

- the amount of the loss allowance determined in accordance with MFRS 9 *Financial Instruments* (see financial assets above); and

- the amount recognised initially less, where appropriate, cumulative amortisation recognised in accordance with the revenue recognition policies set out above.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

Derecognition of financial liabilities

The Group and the Company derecognise financial liabilities when, and only when, the Group's and Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Cash and cash equivalents

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

Cash and cash equivalents consist of bank balances, demand deposits which are not pledged and highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's and the Company's accounting policies, which are described in Note 3, directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, management is of the opinion that there are no instances of application of judgement which are expected to have a significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The key assumptions made concerning the future, and, other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as stated below:

(i) Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight line basis over their estimated useful lives. Management estimates the useful lives of the property, plant and equipment to be 2 to 50 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of the property, plant and equipment. Therefore, the future depreciation charge could be revised. The carrying amount of the Group's and the Company's property, plant and equipment as of the end of the reporting period is disclosed in Note 13.

(ii) Product development costs

Management's judgement is involved in determining the product development costs that qualify for capitalisation (which includes among others, the technical feasibility of the products developed and the ability to generate future economic benefits) and the impairment of product development costs as of March 31, 2026. As of March 31, 2026, the Group assessed the recoverability of the Group's product development costs which are included in the statements of financial position with a carrying amount of RM4,092,215 (2025: RM4,298,935). Product development costs that were capitalised during the year amounted to RM925,955 (2025: RM998,116) as disclosed in Note 15.

The product development projects continue to progress in a satisfactory manner and customer reaction has reconfirmed the directors' previous estimates of anticipated revenues from the product development projects and the directors are confident that the carrying amount of the asset will be recovered in full. This situation is closely monitored, and adjustments will be made in future periods if future market activity indicates that such adjustments are appropriate.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINT (Cont'd)

(b) Key sources of estimation uncertainty (Cont'd)

(iii) Impairment of investment in subsidiary companies

Management reviews the investment in subsidiary companies for impairment when there is an indication of impairment. Recoverable amounts of the investment in subsidiary companies are assessed by reference to the fair value less cost of disposal of the underlying assets of the respective subsidiary companies. The fair value less cost of disposal was determined based on directors' estimation which make reference to valuation report by professional valuer on certain assets and adjusted with changes in current market conditions.

An impairment loss of RM8,740,097 (2025: RM2,768,386) was recognised in current financial year to bring the carrying amount to the recoverable amount. Further details are disclosed in Note 16.

(iv) Inventories

The Group makes an allowance for slow moving/obsolete inventories based on an assessment of the net realisable value of the inventories. When estimating the net realisable value of inventories, management considers all of the facts relating to the inventories and the operating environment at the time the estimates are made. Where the expectation is different from the original estimate, such difference will impact the carrying value of the inventories in the period in which such estimate has been changed. The cost of inventories recognised as an expense includes RM1,233,036 (2025: RM877,585) and RM77,541 (2025: RM62,358) in respect of inventories written off and inventories written down to net realisable value respectively. During the financial year, the Group recognised an allowance for inventories obsolescence of RM1,293,569 (2025: RM Nil). Further details are disclosed in Note 18.

(v) Impairment of receivables

When measuring expected credit loss ("ECL"), the Group and the Company use reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group and the Company would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions. An impairment loss on trade receivables of RM694,789 (2025: RM Nil) was recognised during the financial year. Further details are disclosed in Note 19.

(vi) Deferred tax assets

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax capital allowances to the extent that it is probable that taxable profits would be available against which the deductible temporary differences, unused tax losses and unused tax capital allowances could be utilised. Significant management judgement is required to determine the amount of deferred tax assets that could be recognised, based on the likely timing and extent of future taxable profits together with future tax planning strategies. Details of deferred tax assets not recognised in the financial statements as of the end of reporting period due to uncertainty of its realisation are disclosed in Note 17.

(vii) Impairment of property, plant and equipment

The Group and the Company assess whether there are any indicators of impairment for property, plant and equipment as of each reporting date. Property, plant and equipment is tested for impairment when there are indicators that the carrying amounts may not be recoverable.

If there are indicators of impairment in property, plant and equipment, the Group and the Company carries out an impairment assessment by determining the recoverable amount of the cash-generating unit to which the property, plant and equipment is allocated. The recoverable amount, which is this case was determined based on the fair value less cost of disposal, is determined based on the directors' estimates which makes reference to valuation report by professional valuer on certain assets and adjustments for changes in current market conditions.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINT (Cont'd)

(b) Key sources of estimation uncertainty (Cont'd)

(vii) Impairment of property, plant and equipment (Cont'd)

An impairment loss on property, plant and equipment of RM123,091 (2025: RM Nil) was recognised based on their assessment. Further details are disclosed in Note 13.

5. REVENUE

Revenue comprises of the following:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from contracts with customers	103,848,247	110,346,126	-	-
Management fee from subsidiary companies	-	-	6,186,269	5,801,608
Marketing service fee from subsidiary companies	-	-	496,120	460,914
	103,848,247	110,346,126	6,682,389	6,262,522

Disaggregation of Group's revenue from contracts with customers:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Segment revenue				
Sales of goods:				
Manufacturing	103,848,247	110,346,126	-	-
Management fee from subsidiary companies	-	-	6,186,269	5,801,608
Marketing service fee from subsidiary companies	-	-	496,120	460,914
	103,848,247	110,346,126	6,682,389	6,262,522
Geographical markets				
Europe countries	73,747,536	77,236,666	-	-
Asia countries	20,866,492	26,521,659	6,682,389	6,262,522
North America countries	9,234,219	6,587,801	-	-
	103,848,247	110,346,126	6,682,389	6,262,522
Timing of revenue recognition				
At a point in time:				
Sales of goods	103,848,247	110,346,126	-	-
Over time:				
Management fee from subsidiary companies	-	-	6,186,269	5,801,608
Marketing service fee from subsidiary companies	-	-	496,120	460,914
	103,848,247	110,346,126	6,682,389	6,262,522

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

6. INVESTMENT REVENUE

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest income on short-term deposits	755,954	732,200	727,467	677,775
Interest income on loan to a subsidiary company	-	-	378,903	417,102
	755,954	732,200	1,106,370	1,094,877

The following is an analysis of investment revenue earned on financial assets by category of asset:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest income for financial assets not designated as at fair value through profit or loss:				
Financial assets at amortised cost (including cash and bank balances)	755,954	732,200	1,106,370	1,094,877

7. OTHER LOSSES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Government grant received	198,975	355,175	-	-
Net foreign exchange (loss)/gain:				
Unrealised	(2,832,125)	(856,268)	(100,769)	(37,602)
Realised	(2,951,911)	(2,426,602)	33,540	(11,333)
Impairment loss on trade receivables (Note 19)	(694,789)	-	-	-
Impairment loss on property, plant and equipment (Note 13)	(123,091)	-	-	-
Property, plant and equipment written off	(8,255)	(2,422)	(1,785)	-
Loss on disposal of property, plant and equipment	-	(13,333)	-	-
Sundry income	287,106	344,631	-	-
	(6,124,090)	(2,598,819)	(69,014)	(48,935)

Government grants received relates to the economic assistance program introduced by the People's Republic of China Government which was received by IQ Group (Wuning) Ltd. during the year.

8. EMPLOYEE BENEFIT EXPENSES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Pension costs - defined contribution plans	2,400,885	2,436,957	608,735	593,706
Other employee benefit expenses	35,826,187	36,742,754	5,384,805	5,232,146
	38,227,072	39,179,711	5,993,540	5,825,852

Other employee benefit expenses include directors' remuneration, salaries, bonuses, and all other employee related expenses.

Included in employee benefit expenses are expenses related to research and development department personnel amounting to RM3,649,509 (2025: RM3,443,677).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

8. EMPLOYEE BENEFIT EXPENSES (Cont'd)

Details of remuneration of directors and officers who are the key management personnel of the Group and of the Company, are as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Executive				
Directors of the Company:				
Fees	206,520	197,618	206,520	197,618
Pension costs - defined contribution plans	325,134	312,797	310,487	297,816
Other emoluments	2,457,963	2,408,757	1,995,497	1,913,697
Directors of subsidiary companies:				
Pension costs - defined contribution plans	33,083	30,810	-	-
Other emoluments	1,868,745	1,948,580	-	-
Officers of the Company:				
Pension costs - defined contribution plans	178,597	185,648	178,597	185,648
Other emoluments	1,496,592	1,538,358	1,496,592	1,538,358
Non-executive				
Directors of the Company:				
Fees	273,432	271,008	273,432	271,008
	6,840,066	6,893,576	4,461,125	4,404,145

The estimated cash value of benefits-in-kind, provided to directors is disclosed in Note 33.

9. FINANCE COSTS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Interest expense on:				
Borrowings	7,628	55,203	-	-
Lease liabilities	100,114	112,511	15,778	11,183
	107,742	167,714	15,778	11,183

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

10. (LOSS)/PROFIT BEFORE TAX

(Loss)/Profit before tax has been arrived at:

	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
After charging:				
Research and development expenses:				
Amortisation of product development costs	1,132,675	1,163,846	-	-
Lease expense on short-term leases	886,705	871,110	-	-
Others	215,903	173,715	-	-
Depreciation of property, plant and equipment	1,831,219	1,823,462	130,161	128,500
Allowance for inventories obsolescence	1,293,569	-	-	-
Inventories written off	1,233,036	877,585	-	-
Amortisation of right-of-use assets	1,085,350	1,124,132	214,470	216,895
Statutory audit fees:				
Deloitte Malaysia PLT and its affiliates	579,456	595,359	126,000	120,000
Other auditors	51,047	64,423	-	-
Non-statutory audit fees:				
Deloitte Malaysia PLT and its affiliates	4,000	4,000	4,000	4,000
Lease expense on short-term and low-value asset leases	299,724	205,084	-	3,656
Inventories written down	77,541	62,358	-	-
Property, plant and equipment written off	8,255	2,422	1,785	-
Loss on disposal of property, plant and equipment	-	13,333	-	-
Impairment loss on investment in subsidiary companies (Note 16)	-	-	8,740,097	2,768,386

11. TAX EXPENSE

Tax expense recognised in profit or loss

Tax expense comprises:

	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
Current year:				
Current tax expenses::				
Malaysian	208,182	210,410	204,605	207,034
Foreign	879,424	999,622	4,515	8,227
Deferred tax relating to origination and reversal of temporary differences	(23,444)	76,823	-	-
	1,064,162	1,286,855	209,120	215,261
Adjustment recognised in the current year in relation to prior years:				
Current tax:				
Malaysian	(3,985)	(6,796)	(3,985)	(6,796)
Foreign	26,939	20,412	-	-
Deferred tax	56,574	90,774	-	-
	79,528	104,390	(3,985)	(6,796)
Total tax expenses	1,143,690	1,391,245	205,135	208,465

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

11. TAX EXPENSE (Cont'd)

Tax expense recognised in profit or loss (Cont'd)

The Group is operating in the jurisdictions of Malaysia, Japan and the People's Republic of China.

Malaysian income tax is calculated at the statutory tax rate of 24% (2025: 24%) of the estimated taxable profit for the year. The applicable domestic statutory income tax rates for foreign entities are 34% (2025: 34%) for Japan, and 25% (2025: 25%) for the People's Republic of China.

The total tax expense for the year can be reconciled to the (loss)/profit before tax as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
(Loss)/Profit before tax	(7,409,698)	1,881,531	(8,504,337)	(2,495,061)
Tax expenses calculated using the Malaysian income tax rate of 24% (2025: 24%)	(1,778,328)	451,567	(2,041,041)	(598,815)
Effect of expenses that are not deductible in determining taxable profit	2,824,026	1,228,419	2,247,525	825,114
Effect of revenue that is exempt from tax	(147,395)	(185,076)	(17,364)	(20,158)
Deferred tax assets not recognised	2,340,558	631,971	20,000	9,120
Utilisation of deferred tax assets previously not recognised	-	(49,892)	-	-
Effect of different tax rates of subsidiary companies operating in other jurisdictions	(2,174,699)	(790,134)	-	-
	1,064,162	1,286,855	209,120	215,261
Adjustments recognised in the current year in relation to prior years:				
Current tax	22,954	13,616	(3,985)	(6,796)
Deferred tax	56,574	90,774	-	-
Tax expense recognised in profit or loss	1,143,690	1,391,245	205,135	208,465

As of March 31, 2026, the approximate amounts of unused tax losses and unused tax capital allowances of the Group and of the Company which are available for set off against future taxable income are as follows:

	The Group	
	2026 RM	2025 RM
Unused tax losses:		
Expiring in financial year ending March 31, 2028	524,000	608,000
Expiring in financial year ending March 31, 2029	7,446,000	7,446,000
Expiring in financial year ending March 31, 2030	1,124,000	1,305,000
Expiring in financial year ending March 31, 2033	-	77,000
Expiring in financial year ending March 31, 2034	219,000	7,705,000
Expiring in financial year ending March 31, 2035	11,785,000	11,897,000
Expiring in financial year ending March 31, 2036	13,168,000	-
Unused tax capital allowances	7,490,000	7,163,000
Total	41,756,000	36,201,000

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

11. TAX EXPENSE (Cont'd)

As of March 31, 2026, the approximate amounts of unused tax losses and unused tax capital allowances of the Group and of the Company which are available for set off against future taxable income are as follows: (Cont'd)

	The Company	
	2026 RM	2025 RM
Unused tax capital allowances	142,000	111,000

Pursuant to Finance Act 2021, the unused tax losses in Malaysia can be carried forward for 10 consecutive years of assessment.

In Japan, unused tax losses can be carried forward for 9 years, which will be extended to 10 years for tax losses incurred in fiscal years beginning on or after April 1, 2018.

12. (LOSS)/EARNINGS PER SHARE

Basic and diluted (loss)/earnings per share

The (loss)/earnings and weighted average number of ordinary shares used in the calculation of basic and diluted (loss)/earnings per share are as follows:

	The Group	
	2026	2025
(Loss)/Profit attributable to ordinary equity holders of the Company (RM)	(8,553,388)	490,286
Number of ordinary shares for the purposes of basic earnings per share (units)	88,028,550	88,028,550
Basic and diluted (loss)/earnings per ordinary share (sen)	(9.72)	0.56

There is no dilution in (loss)/earnings per share as the Group has no potential dilutive ordinary shares for both years 2026 and 2025.

13. PROPERTY, PLANT AND EQUIPMENT

The Group

Cost	Beginning of year RM	Additions RM	Disposals/ write-offs RM	Translation effect RM	End of year RM
2026:					
Buildings	8,023,870	-	-	-	8,023,870
Plant and machinery	2,247,039	428,001	(5,546)	(75,343)	2,594,151
Factory equipment	12,848,565	516,471	(280,829)	(185,439)	12,898,768
Air conditioners	1,274,796	56,127	(19,617)	(21,798)	1,289,508
Furniture, fittings and office equipment	9,130,853	386,480	(333,101)	(100,512)	9,083,720
Renovation	4,878,003	159,339	-	(90,984)	4,946,358
Motor vehicles	1,678,783	-	-	(40,488)	1,638,295
Electrical installations	775,208	-	-	-	775,208
	40,857,117	1,546,418	(639,093)	(514,564)	41,249,878

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The Group (Cont'd)

Cost	Beginning of year RM	Additions RM	Disposals/ write-offs RM	Translation effect RM	End of year RM
2025:					
Buildings	8,023,870	-	-	-	8,023,870
Plant and machinery	2,290,994	149,205	(65,271)	(127,889)	2,247,039
Factory equipment	13,971,663	540,536	(1,400,996)	(262,638)	12,848,565
Air conditioners	1,275,728	51,625	(14,800)	(37,757)	1,274,796
Furniture, fittings and office equipment	9,422,252	423,729	(562,608)	(152,520)	9,130,853
Renovation	4,864,979	231,975	(60,779)	(158,172)	4,878,003
Motor vehicles	1,549,403	166,296	-	(36,916)	1,678,783
Electrical installations	775,208	-	-	-	775,208
	42,174,097	1,563,366	(2,104,454)	(775,892)	40,857,117

Accumulated depreciation	Beginning of year RM	Charge for the year RM	Disposals/ write-offs RM	Translation effect RM	End of year RM
2026:					
Buildings	4,473,503	160,463	-	-	4,633,966
Plant and machinery	1,259,932	172,363	(3,543)	(36,457)	1,392,295
Factory equipment	11,956,486	449,701	(274,345)	(146,656)	11,985,186
Air conditioners	937,909	72,065	(15,688)	(13,248)	981,038
Furniture, fittings and office equipment	7,131,456	491,806	(330,802)	(83,890)	7,208,570
Renovation	3,882,244	320,581	-	(68,063)	4,134,762
Motor vehicles	1,323,895	152,313	-	(35,113)	1,441,095
Electrical installations	748,970	11,927	-	-	760,897
	31,714,395	1,831,219	(624,378)	(383,427)	32,537,809
2025:					
Buildings	4,313,040	160,463	-	-	4,473,503
Plant and machinery	1,221,038	154,766	(57,561)	(58,311)	1,259,932
Factory equipment	13,008,696	469,646	(1,338,719)	(183,137)	11,956,486
Air conditioners	901,395	72,236	(14,659)	(21,063)	937,909
Furniture, fittings and office equipment	7,341,446	476,014	(555,792)	(130,212)	7,131,456
Renovation	3,740,159	315,621	(60,780)	(112,756)	3,882,244
Motor vehicles	1,197,254	160,458	-	(33,817)	1,323,895
Electrical installations	734,712	14,258	-	-	748,970
	32,457,740	1,823,462	(2,027,511)	(539,296)	31,714,395

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

The Group (Cont'd)

Accumulated impairment	Beginning of year RM	Charge for the year RM	Disposals/ write-offs RM	Translation effect RM	End of year RM
2026:					
Plant and machinery	-	9,264	-	-	9,264
Factory equipment	-	42,856	-	-	42,856
Air conditioners	-	50,266	-	-	50,266
Furniture, fittings and office equipment	-	20,705	-	-	20,705
	-	123,091	-	-	123,091

The Company

Cost	Beginning of year RM	Additions RM	Disposals/ write-off RM	End of year RM
2026:				
Furniture, fittings and office equipment	411,069	28,338	(300,317)	139,090
Motor vehicles	605,220	-	-	605,220
	1,016,289	28,338	(300,317)	744,310
2025:				
Furniture, fittings and office equipment	397,687	13,382	-	411,069
Motor vehicles	605,220	-	-	605,220
	1,002,907	13,382	-	1,016,289

Accumulated depreciation	Beginning of year RM	Charge for the year RM	Disposals/ write-offs RM	End of year RM
2026:				
Furniture, fittings and office equipment	366,515	9,118	(298,532)	77,101
Motor vehicles	360,347	121,043	-	481,390
	726,862	130,161	(298,532)	558,491
2025:				
Furniture, fittings and office equipment	359,058	7,457	-	366,515
Motor vehicles	239,304	121,043	-	360,347
	598,362	128,500	-	726,862

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

13. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	The Group	
	2026 RM	2025 RM
Carrying amount		
Buildings	3,389,904	3,550,367
Plant and machinery	1,192,592	987,107
Factory equipment	870,726	892,079
Air conditioners	258,204	336,887
Furniture, fittings and office equipment	1,854,445	1,999,397
Renovation	811,596	995,759
Motor vehicles	197,200	354,888
Electrical installations	14,311	26,238
	8,588,978	9,142,722

	The Company	
	2026 RM	2025 RM
Carrying amount		
Furniture, fittings and office equipment	61,989	44,554
Motor vehicles	123,830	244,873
	185,819	289,427

As of March 31, 2026, the buildings of the Group with a carrying amount of RM3,389,904 (2025: RM3,550,367) have been charged to a local licensed bank as security for banking facilities granted to the Group as mentioned in Note 26.

Impairment of property, plant and equipment

The Group carried out the review of the recoverable amounts of its property, plant and equipment as it has been incurring losses. Recoverable amount was measured at the higher of fair value less costs to sell and its value-in-use. Accordingly, an impairment loss on property, plant and equipment of RM123,091 (2025: RM Nil) was recognised during the financial year.

14. RIGHT-OF-USE ASSETS

The Group

	Short-term leasehold land RM	Building RM	Motor vehicles RM	Total RM
Cost				
As of April 1, 2025	2,506,557	8,120,083	165,739	10,792,379
Additions	-	1,591,863	-	1,591,863
Translation effect	-	(453,022)	(23,003)	(476,025)
As of March 31, 2026	2,506,557	9,258,924	142,736	11,908,217
As of April 1, 2024	2,506,557	8,339,430	124,253	10,970,240
Additions	-	328,936	48,479	377,415
Translation effect	-	(548,283)	(6,993)	(555,276)
As of March 31, 2025	2,506,557	8,120,083	165,739	10,792,379

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

14. RIGHT-OF-USE ASSETS (Cont'd)

The Group (Cont'd)

	Short-term leasehold land RM	Building RM	Motor vehicles RM	Total RM
Accumulated amortisation				
As of April 1, 2025	1,333,653	5,809,725	132,430	7,275,808
Amortisation during the year	48,454	1,014,268	22,628	1,085,350
Translation effect	-	(330,696)	(20,145)	(350,841)
As of March 31, 2026	1,382,107	6,493,297	134,913	8,010,317
As of April 1, 2024	1,285,199	5,105,969	114,935	6,506,103
Amortisation during the year	48,454	1,051,726	23,952	1,124,132
Translation effect	-	(347,970)	(6,457)	(354,427)
As of March 31, 2025	1,333,653	5,809,725	132,430	7,275,808
Carrying amount				
As of March 31, 2026	1,124,450	2,765,627	7,823	3,897,900
As of March 31, 2025	1,172,904	2,310,358	33,309	3,516,571

The Company

	The Company 2026 RM	2025 RM
Building		
Cost		
Balance as of beginning of the year	433,789	433,789
Additions	636,140	-
Written off	(433,789)	-
Balance as of end of the year	636,140	433,789
Accumulated amortisation		
Balance as of beginning of the year	325,342	108,447
Charge for the year	214,470	216,895
Written off	(433,789)	-
Balance as of end of the year	106,023	325,342
Carrying amount	530,117	108,447

The Group's right-of-use assets comprise leases of short-term leasehold land, factory buildings, office buildings, hostels and motor vehicle and the lease terms range from 2 to 60 years (2025: 2 to 60 years). The Company's right-of-use assets comprise of office building with a lease term of 3 years (2025: 1 year).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

14. RIGHT-OF-USE ASSETS (Cont'd)

As of March 31, 2026, the unexpired lease period of the short-term leasehold land of the Group is 23 years (2025: 24 years).

As of March 31, 2026, the short-term leasehold land of the Group with a carrying amount of RM1,124,450 (2025: RM1,172,904) has been charged to a local licensed bank as security for banking facilities granted to the Group as mentioned in Note 26.

The maturity analysis of lease liabilities is presented in Note 27.

15. PRODUCT DEVELOPMENT COSTS

	The Group	
	2026 RM	2025 RM
At cost:		
As of beginning of the year	20,958,303	19,960,187
Additions from internal development during the year	925,955	998,116
As of end of the year	21,884,258	20,958,303
Accumulated amortisation:		
As of beginning of the year	16,659,368	15,495,522
Charge for the year	1,132,675	1,163,846
As of end of the year	17,792,043	16,659,368
Carrying amount	4,092,215	4,298,935

Product development costs comprise all costs that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities or projects.

The Group reviews the carrying amount of the product development costs as of the end of each reporting period to determine whether there is any indication of impairment. If any such indications exist, the carrying amount of the product development costs are reduced to the recoverable amount which is determined based on four years discounted cash flows prepared by management.

The key assumptions used in preparation of discounted cash flows are as follows:

(a) profit margins are projected based on the historical profit margin achieved or predetermined profit margin for the products; and
(b) A pre-tax discount rate of 12.1% (2025: 12.1%) per annum has been applied in determining the recoverable amount.

Based on these assumptions, the management are of the view that no impairment loss is required as the recoverable amount determined is higher than the carrying amount of the product development costs.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

16. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2026 RM	2025 RM
Unquoted shares, at cost		
Balance as of beginning/end of the year	105,133,274	105,133,274
Accumulated impairment		
Balance as of beginning of the year	19,856,527	17,088,141
Impairment loss during the year	8,740,097	2,768,386
Balance as of end of the year	28,596,624	19,856,527
	76,536,650	85,276,747

The subsidiary companies are as follows:

Name of companies	Place of incorporation and operation	Proportion of ownership interests and voting power held by the Group 2026	2025	Principal activities
IQ Group Sdn. Bhd.	Malaysia	100%	100%	Design and manufacture of motion sensors, sensor lighting, and wireless door entry products. Ceased manufacturing operations on May 5, 2026, but continue its trading operations
IQ Group (Dongguan) Ltd. [a]	People's Republic of China	100%	100%	Design, manufacturing and sales of mould; providing corporate management services to IQ Group (Wuning) Ltd.; providing research and development services and technology transfer to IQ Group (Wuning) Ltd.
IQ Group (Wuning) Ltd. [a]	People's Republic of China	100%	100%	Manufacture and sales of sensor lighting, door bells, home security system, lighting fixtures, sensor product, wireless product, security product and household electrical appliances
IQ Japan Co., Ltd. [a]	Japan	100%	100%	Sales, marketing and distribution of motion sensors, sensor lighting and wireless door entry products
SILQ (Malaysia) Sdn. Bhd.	Malaysia	100%	100%	Dormant

(a) The financial statements of these companies were audited by member firms of Deloitte in the respective countries.

Management reviews the investment in subsidiary companies for impairment when there is an indication of impairment. Recoverable amounts of the investment in subsidiary companies are assessed by reference to the fair value less cost of disposal of the underlying assets of the respective subsidiary companies. The fair value less cost of disposal was determined based on directors' estimation which make reference to valuation report by professional valuer on certain assets and adjusted with changes in current market conditions. During the financial year, an impairment loss on investment in subsidiary companies amounting to RM8,740,097 (2025: RM2,768,386) are recognised in profit and loss.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

16. INVESTMENT IN SUBSIDIARY COMPANIES (Cont'd)

Composition of the Group

Information about the composition of the Group as of the end of the reporting period is as follows:

Principal activities	Country of incorporation	Number of wholly-owned subsidiary companies 2026	2025
Design and manufacture of motion sensors, sensor lighting, and wireless door entry products	Malaysia	1	1
Design, manufacture and sales of motion sensors, sensor lighting, wireless door entry products, door bells, home security system, lighting fixtures, sensor product, wireless product, security product and household electrical appliances; design, manufacturing and sales of mould; providing corporate management services to IQ Group (Wuning) Ltd.; providing research and development services and technology transfer to IQ Group (Wuning) Ltd.	People's Republic of China	2	2
Sales, marketing and distribution of motion sensors, sensor lighting and wireless door entry products	Japan	1	1
Ceased operations	Malaysia	1	1
		5	5

17. DEFERRED TAX ASSETS/(LIABILITIES)

	The Group 2026 RM	The Group 2025 RM	The Company 2026 RM	The Company 2025 RM
Deferred tax assets	870,242	956,634	31,464	31,464

The movement in deferred tax assets/(liabilities) during the year prior to offsetting are as follows::

	Opening balance RM	Recognised in profit or loss (Note 11) RM	Currency Translation Difference RM	Closing balance RM
The Group				
2026				
Deferred tax assets				
Unused tax capital allowances	1,409,172	(763,997)	(4,379)	640,796
Unused tax losses	133,668	(35,167)	(6,188)	92,313
Lease liabilities	539,668	91,129	(31,523)	599,274
Other deductible temporary differences	1,002,601	677,679	(41,404)	1,638,876
	3,085,109	(30,356)	(83,494)	2,971,259

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

17. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

The movement in deferred tax assets/(liabilities) during the year prior to offsetting are as follows: (Cont'd)

	Opening balance RM	Recognised in profit or loss (Note 11) RM	Currency Translation Difference RM	Closing balance RM
The Group (Cont'd)				
2026				
Deferred tax liabilities				
Product development costs	(725,000)	52,000	-	(673,000)
Property, plant and equipment	(879,000)	29,000	-	(850,000)
Right-of-use assets	(524,235)	(84,014)	30,232	(578,017)
Other taxable temporary differences	(240)	240	-	-
	(2,128,475)	(2,774)	30,232	(2,101,017)
Net	956,634	(33,130)	(53,262)	870,242
2025				
Deferred tax assets				
Unused tax capital allowances	1,328,212	111,569	(30,609)	1,409,172
Unused tax losses	730,392	(593,821)	(2,903)	133,668
Lease liabilities	691,288	(139,898)	(11,722)	539,668
Other deductible temporary differences	889,760	134,620	(21,779)	1,002,601
	3,639,652	(487,530)	(67,013)	3,085,109
Deferred tax liabilities				
Product development costs	(850,000)	125,000	-	(725,000)
Property, plant and equipment	(144,000)	(735,000)	-	(879,000)
Right-of-use assets	(682,135)	157,900	-	(524,235)
Other taxable temporary differences	(772,273)	772,033	-	(240)
	(2,448,408)	319,933	-	(2,128,475)
Net	1,191,244	(167,597)	(67,013)	956,634

	Opening balance RM	Recognised in profit or loss (Note 11) RM	Closing balance RM
The Company			
2026			
Deferred tax assets			
Unused tax capital allowances	17,464	(13,000)	4,464
Lease liabilities	27,000	102,000	129,000
Other deductible temporary differences	34,000	12,000	46,000
	78,464	101,000	179,464

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

17. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

The movement in deferred tax assets/(liabilities) during the year prior to offsetting are as follows: (Cont'd)

	Opening balance RM	Recognised in profit or loss (Note 11) RM	Closing balance RM
The Company (Cont'd)			
2026			
Deferred tax liabilities			
Right-of-use assets	(26,000)	(101,000)	(127,000)
Property, plant and equipment	(21,000)	-	(21,000)
	(47,000)	(101,000)	(148,000)
Net	31,464	-	31,464
2025			
Deferred tax assets			
Unused tax capital allowances	20,000	(2,536)	17,464
Lease liabilities	79,000	(52,000)	27,000
Other deductible temporary differences	33,464	536	34,000
	132,464	(54,000)	78,464
Deferred tax liability			
Right-of-use assets	(78,000)	52,000	(26,000)
Property, plant and equipment	(21,000)	-	(21,000)
Other taxable temporary differences	(2,000)	2,000	-
	(101,000)	54,000	(47,000)
Net	31,464	-	31,464

As mentioned in Note 3, the tax effects of the deductible temporary differences, unused tax losses and unused tax capital allowances which would give rise to deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax capital allowances can be utilised. As of March 31, 2026, the estimated gross amount of the deductible temporary differences, unused tax losses and unused tax capital allowances, for which the deferred tax assets are not recognised in the financial statements due to uncertainty of its realisation, is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Unused tax losses	33,993,624	28,612,670	-	-
Unused tax capital allowances	4,900,000	1,406,000	123,000	38,000
Other deductible temporary differences	937,371	60,000	-	-
Total	39,830,995	30,078,670	123,000	38,000

18. INVENTORIES

	The Group	
	2026	2025
	RM	RM
At cost:		
Raw materials	10,708,144	12,079,324
Work-in-progress	5,472,065	6,685,473
Finished goods	5,379,688	8,844,882
Goods-in-transit:		
Raw materials	31,920	893
Finished goods	2,356,033	773,191
At net realisable value:		
Finished goods	752,326	611,330
	24,700,176	28,995,093

The Group's cost of inventories sold during the financial year amounted to RM72,163,795 (2025: RM73,153,925).

The cost of inventories recognised as an expense includes RM1,233,036 (2025: RM877,585) and RM77,541 (2025: RM62,358) in respect of inventories written off and inventories written down to net realisable value respectively. During the financial year, the Group recognised allowance for inventories obsolescence of RM1,293,569 (2025: RM Nil).

19. TRADE AND OTHER RECEIVABLES

	The Group	
	2026	2025
	RM	RM
Trade receivables	34,156,469	43,528,449
Less: Loss allowance	(694,789)	-
	33,461,680	43,528,449
Other receivables	3,121,504	2,704,141
Value Added Tax receivable	859,102	391,051
	37,442,286	46,623,641
Less: Amount receivable within 12 months (shown under current assets)	(29,626,830)	(46,623,641)
Non-current portion	7,815,456	-

	The Company	
	2026	2025
	RM	RM
Amount owing by a subsidiary company	14,123,170	10,828,848
Other receivables	302,520	345,095
	14,425,690	11,173,943

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

19. TRADE AND OTHER RECEIVABLES (Cont'd)

The currency exposure profit of trade and other receivables is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
United States Dollars	33,531,768	43,257,673	243,588	293,418
Renminbi	3,555,605	2,681,687	-	-
Japanese Yen	205,888	583,905	-	-
Ringgit Malaysia	133,525	85,386	14,055,529	10,752,368
Great Britain Pounds	5,060	5,217	126,573	128,157
Other currencies	10,440	9,773	-	-
	37,442,286	46,623,641	14,425,690	11,173,943

The average credit periods granted by the Group range from 30 to 120 days (2025: 30 to 120 days). No interest is charged on outstanding trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss ("ECL"). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions as of the end of the reporting period. Allowance for impairment loss are recognised against trade receivables exceeded credit period based on estimated irrecoverable amounts determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over 180 days past due and the Group confirms that the debts are uncollectible, whichever occurs earlier. None of the trade receivables that have been written off is subject to enforcement activities.

Trade receivables disclosed above include amounts (see below for aged analysis) that are past due as of the end of the reporting period which the Group has recognised an allowance for impairment loss. The Group does not hold any collateral or other credit enhancements over these balances nor does it have a legal right of offset against any amounts owed by the Group to the counterparty.

Ageing analysis of trade receivables:

	The Group	
	2026 RM	2025 RM
Gross carrying amount		
Current	19,087,166	23,241,209
1 to 30 days past due	4,930,989	9,330,111
31 to 60 days past due	251,431	2,831,056
61 to 90 days past due	373,280	308,339
91 to 120 days past due	291,465	2,228
121 to 365 days past due	2,405,401	7,486,796
More than 365 days past due	6,816,737	328,710
Total trade receivables	34,156,469	43,528,449
Less: Loss allowance	(694,789)	-
Trade receivables, net	33,461,680	43,528,449

Included in the above amount of trade receivables is a gross amount of RM14,638,170 (2025: RM8,853,534) owing by a related party, IQ (America) Inc. ("IQA").

19. TRADE AND OTHER RECEIVABLES (Cont'd)

Ageing of amount owing by IQA:

	The Group	
	2026 RM	2025 RM
Gross carrying amount		
Current	3,955,892	789,703
1 to 30 days past due	1,379,678	8,607
31 to 60 days past due	33,829	200,137
61 to 90 days past due	252,758	244,380
91 to 120 days past due	289,993	-
121 to 365 days past due	1,943,000	7,292,340
More than 365 days past due	6,783,020	318,367
Gross receivables from IQA	14,638,170	8,853,534
Less: Loss allowance	(694,789)	-
Receivables from IQA, net	13,943,381	8,853,534

The amount owing by IQA amounting to RM7,815,456 (2025: RM Nil) is repayable after the next 12 months according to an agreed repayment plan and as such, is classified as a non-current trade receivable.

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group.

In determining the recoverability of a receivable, the Group considers any change in the credit quality of the receivable from the date credit was initially granted up to the end of the reporting period. The Group does not hold any collateral over these balances.

The movements of the allowance accounts used to record the impairment of the Group's trade receivables is as follows:

	The Group	
	2026 RM	2025 RM
As of the beginning of the year	-	-
Charge for the year	694,789	-
As of the end of the year	694,789	-

The amount owing by a subsidiary company is as follows:

	The Company	
	2026 RM	2025 RM
IQ Group Sdn. Bhd.	14,123,170	10,828,848

Included in amount owing by a subsidiary company is RM8,000,000 (2025: RM8,000,000), representing loan given to a subsidiary company, IQ Group Sdn. Bhd., which bears interest at rates ranging from 4.56% to 4.94% (2025: 5.06% to 5.36%) per annum, which is unsecured and is repayable on demand.

Other than the loan as disclosed above, the amount owing by a subsidiary company arose mainly from management fee receivable and marketing service fee receivable.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

19. TRADE AND OTHER RECEIVABLES (Cont'd)

Impairment for amount owing by a subsidiary company is recognised based on the general approach of MFRS 9. The methodology used to determine the amount of the impairment is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

For balances in which the credit risk has not increased significantly since initial recognition of the financial asset, 12-month expected credit losses along with gross interest income are recognised. For balances in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company assessed the impairment loss on amount owing by a subsidiary company based on lifetime expected credit loss approach. No expected credit loss is recognised as it is negligible.

20. OTHER ASSETS

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Prepayments:				
Property, plant and equipment	58,166	48,336	-	-
Others	1,383,004	1,502,048	-	-
Refundable deposits	247,221	256,394	2,000	2,000
	1,688,391	1,806,778	2,000	2,000

Other prepayments comprise mainly of prepayments to suppliers for purchase of raw materials.

The currency exposure profile of other assets is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Ringgit Malaysia	863,111	510,459	2,000	2,000
Renminbi	653,650	755,344	-	-
Japanese Yen	171,630	540,975	-	-
	1,688,391	1,806,778	2,000	2,000

21. SHORT-TERM DEPOSITS WITH LICENSED BANKS

The currency exposure profile of short-term deposits with licensed banks is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Ringgit Malaysia	25,685,000	27,990,000	25,100,000	27,400,000

The short-term deposits with licensed banks of the Group carry interest at rates of 1.75% to 2.6% (2025: 2.1% to 2.9%) per annum with a maturity period ranging from 31 to 94 days (2025: 31 to 93 days). The short-term deposits with a licensed bank of the Company carry interest at rate of 2.6% (2025: 2.5% to 2.9%) per annum with a maturity period ranging from 90 to 94 days (2025: 32 to 93 days).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

22. CASH AND BANK BALANCES

The currency exposure profile of cash and bank balances is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Renminbi	14,141,141	10,002,299	-	-
United States Dollars	10,458,923	10,926,361	275,304	347,941
Japanese Yen	3,429,702	3,189,151	-	-
Ringgit Malaysia	2,048,177	3,297,213	178,819	298,257
Great Britain Pounds	259,062	231,287	62,022	49,514
New Taiwan Dollars	243,829	285,627	-	-
Singapore Dollars	475	296	-	-
	30,581,309	27,932,234	516,145	695,712

23. ISSUED CAPITAL

	The Company			
	2026 Number of shares	2025 Number of shares	2026 RM	2025 RM
Fully paid ordinary shares	88,028,550	88,028,550	96,177,462	96,177,462

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

At the Annual General Meeting held on August 26, 2025, the Company's shareholders approved the Company's plan to repurchase its own shares. Under the share buy-back exercise, the Company is authorised to purchase up to maximum of 10% of the total issued and paid-up share capital. During the financial year, the Company did not repurchase any of its issued and fully paid ordinary shares from the open market.

24. RESERVES

	The Group	
	2026 RM	2025 RM
Non-distributable:		
Translation reserve	1,980,239	4,034,654
Legal reserve	125,136	125,136
	2,105,375	4,159,790

The translation reserve is used to record exchange differences arising on translation of foreign subsidiary companies. Exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (Ringgit Malaysia) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

The Companies Act of Japan requires that an amount equal to 10% of dividends must be appropriated as legal reserve (a component of retained earnings) or as additional paid-in capital (a component of capital surplus), depending on the equity account charged upon the payment of such dividends, until the aggregate amount of legal reserve and additional paid-in capital equals 25% of the ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

25. RETAINED EARNINGS

The entire retained earnings of the Company as of the end of the reporting period is available for distribution as single-tier dividends to the shareholders of the Company.

26. BORROWINGS

	The Group	
	2026 RM	2025 RM
Term loan from financial institutions:		
Secured	-	491,000

The currency exposure profile of borrowings is as follows:

	The Group	
	2026 RM	2025 RM
Ringgit Malaysia	-	491,000

The term loan is as follows:

	The Group	
	2026 RM	2025 RM
Current portion	-	491,000

In prior year, the secured term loan of the Group bears interest at a rate of 2.05% per annum above the Kuala Lumpur Interbank Offered Rate ("KLIBOR").

The banking facilities are secured by legal charges over all land and buildings of the Group and covered by a negative pledge over all the Company's assets. The banking facilities were also covered by corporate guarantee of the Company.

Details of additional undrawn financial facilities that the Group has at its disposal to further reduce liquidity risk are set out below:

	2026 RM	2025 RM
Secured:		
Amount unused	9,221,390	8,985,936

27. LEASE LIABILITIES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current – Amount due for settlement within 12 months	960,515	845,421	206,594	112,763
Non current – Amount due for settlement after 12 months	1,895,709	1,569,685	330,087	-
	2,856,224	2,415,106	536,681	112,763

The weighted average incremental borrowing rates applied to the lease liabilities of the Group are between 2.18% to 4.87% (2025: 2.18% to 4.87%) per annum respectively. The weighted average incremental borrowing rate applied to the lease liabilities of the Company is 5.05% (2025: 5.27%) per annum.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

27. LEASE LIABILITIES (Cont'd)

The currency exposure profile of lease liabilities is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Renminbi	2,519,992	2,286,166	-	-
Japanese Yen	336,232	128,940	-	-
Ringgit Malaysia	-	-	536,681	112,763
	2,856,224	2,415,106	536,681	112,763

Future minimum lease payments under the lease liabilities together with the present value of the minimum lease payment are as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Minimum lease payments:				
Not later than 1 year	1,049,109	924,401	228,000	114,000
Between 1 year to 5 years	1,962,383	1,667,412	342,000	-
Total minimum lease payments	3,011,492	2,591,813	570,000	114,000
Less: Amount representing finance charges	(155,268)	(176,707)	(33,319)	(1,237)
Present value of minimum lease payments	2,856,224	2,415,106	536,681	112,763
Present value of payments:				
Not later than 1 year	960,515	845,421	206,594	112,763
Between 1 year to 5 years	1,895,709	1,569,685	330,087	-
Present value of minimum lease payments	2,856,224	2,415,106	536,681	112,763
Less: Amount due within 12 months	(960,515)	(845,421)	(206,594)	(112,763)
Amount due after 12 months	1,895,709	1,569,685	330,087	-

The Group and the Company do not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's and the Company's finance department.

28. TRADE AND OTHER PAYABLES

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Trade payables	5,098,664	8,150,704	-	-
Accrued expenses	5,635,069	9,836,397	169,468	180,584
Other payables	5,269,279	862,789	-	-
Amount owing to a subsidiary company	-	-	673,550	-
	16,003,012	18,849,890	843,018	180,584

Included in accrued expenses of the Group are accruals for social insurance and housing fund liabilities of RM3,201,947 (2025: RM3,472,720).

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

28. TRADE AND OTHER PAYABLES (Cont'd)

The currency exposure profile of trade and other payables is as follows:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Renminbi	10,086,100	13,302,342	-	-
Ringgit Malaysia	5,002,029	4,378,457	843,018	180,584
Japanese Yen	680,800	672,001	-	-
United States Dollars	193,720	435,272	-	
Great Britain Pounds	20,764	-	-	-
New Taiwan Dollars	17,558	55,342	-	-
Euro Dollars	2,041	6,476	-	-
	16,003,012	18,849,890	843,018	180,584

Trade payables comprise amounts outstanding for trade purchases. The credit periods granted to the Group for trade purchases range from 30 to 120 days (2025: 30 to 120 days). No interest is charged on outstanding trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Other payables and accrued expenses comprise mainly amounts outstanding for ongoing costs.

The amount owing to a subsidiary company, IQ Group Sdn. Bhd., arise mainly from non-trade transactions which are unsecured, interest free and repayable on demand.

29. CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise the following:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Short-term deposits with licensed banks	25,685,000	27,990,000	25,100,000	27,400,000
Cash and bank balances	30,581,309	27,932,234	516,145	695,712
	56,266,309	55,922,234	25,616,145	28,095,712

30. FINANCIAL GUARANTEE

	The Company	
	2026 RM	2025 RM
Corporate guarantee given by the Company to financial institution for banking facilities granted to a subsidiary company:		
Outstanding as of financial year end	-	491,000

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. FINANCIAL INSTRUMENTS

a. Capital risk management

The Group's and the Company's objectives when managing capital are to safeguard the Group's and the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. Management monitors capital based on ability of the Group and the Company to generate sustainable profits. The Group's and the Company's overall strategy remains unchanged from 2025. The capital structure of the group consists of net debt and equity of the group. Debt is defined by the group as long-term and short-term borrowings and lease liabilities as disclosed in Notes 26 and 27 respectively. Net debt is defined as debt after deducting cash and cash equivalents. Equity includes issued capital, reserves and retained earnings.

Pursuant to the requirements of Practice Note No.17/2005 issued by Bursa Malaysia Securities Berhad, the Group is required to maintain a consolidated shareholders' equity of more than twenty-five per centum (25%) of the issued and paid-up capital (excluding treasury shares) and such shareholders' equity is not less than RM40 million. The Company has complied with this requirement during the financial year ended 31 March 2026.

The Group is not subject to any other externally imposed capital requirement.

b. Categories of financial instruments

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Financial assets				
At amortised cost:				
Trade and other receivables, excluding Value Added Tax receivable	36,583,184	46,232,590	14,425,690	11,173,943
Short-term deposits with licensed banks	25,685,000	27,990,000	25,100,000	27,400,000
Cash and bank balances	30,581,309	27,932,234	516,145	695,712
Refundable deposits	247,221	256,394	2,000	2,000
Financial liabilities				
At amortised cost:				
Trade and other payables	16,003,012	18,849,890	843,018	180,584
Lease liabilities	2,856,224	2,415,106	536,681	112,763
Borrowings	-	491,000	-	-

c. Financial risk management objectives and policies

The operations of the Group and the Company are subject to a variety of financial risks, including market risk, foreign currency risk, credit risk, interest rate risk, liquidity risk and cash flow risk. The Group and the Company have formulated a financial risk management framework whose principal objective is to minimise the Group's and the Company's exposure to risks and/or costs associated with the financing, investing and operating activities of the Group and the Company.

Various risk management policies are made and approved by the Board for observation in the day-to-day operations for the controlling and management of the risks associated with financial instruments.

The Group and the Company seek to minimise the effects of these risks using derivative financial instruments to hedge risks exposures. The use of financial derivative is governed by the Group's and the Company's policies approved by the Board of Directors. The Group and the Company do not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. FINANCIAL INSTRUMENTS (Cont'd)

c. Financial risk management objectives and policies (Cont'd)

i. Market risk management

The Group and the Company have in place policies to manage the Group's and the Company's exposures to fluctuation in the prices of the raw materials used in the operations.

There has been no change to the Group's and the Company's exposure to market risk or the manner in which these risks are managed and measured.

ii. Foreign currency risk management

The Group and the Company have exposure to foreign exchange risk as a result of transactions, receivables and payables in foreign currencies arising from normal operating activities.

The carrying amounts of the Group's and the Company's foreign currency denominated monetary assets and monetary liabilities as of the end of the reporting period are as follows:

	The Group	
	2026 RM	2025 RM
Assets		
United States Dollars	43,990,692	54,191,010
Renminbi	18,350,396	14,010,051
Japanese Yen	3,807,220	4,097,339
Great Britain Pounds	264,122	236,504
New Taiwan Dollars	243,829	285,627
Other currencies	10,915	9,882
Liabilities		
Renminbi	11,774,138	15,954,691
Japanese Yen	888,476	765,309
United States Dollars	193,720	1,175,917
Great Britain Pounds	20,764	-
New Taiwan Dollars	17,558	55,341
Other currencies	2,041	6,476

	The Company	
	2026 RM	2025 RM
Assets		
United States Dollars	518,892	641,359
Great Britain Pounds	188,595	177,671

The following table details the Group's and the Company's sensitivity to a 10% (2025: 10%) increase and decrease in the RM against the relevant foreign currencies. 10% (2025: 10%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation as of the period end for a 10% (2025: 10%) change in foreign currency rates. A positive number below indicates an decrease in the Group's and the Company's loss net of tax and an increase in Group's equity (2025: an increase in the Group's profit net of tax and a decrease in the Company's loss net of tax and an increase in Group's equity) and a negative number indicates an increase in the Group's and the Company's loss net of tax and a decrease in Group's equity (2025: a decrease in the Group's profit net of tax and an increase in the Company's loss net of tax and a decrease in Group's equity) where the RM strengthens 10% (2025: 10%) against the relevant currency. For a 10% (2025: 10%) weakening of the RM against the relevant currency, it would have had equal but opposite effect on the below currencies to the amounts shown below.

31. FINANCIAL INSTRUMENTS (Cont'd)

c. Financial risk management objectives and policies (Cont'd)

ii. Foreign currency risk management (Cont'd)

	The Group	
	2026 RM	2025 RM
Impact on profit or loss		
United States Dollars	(4,379,697)	(5,301,509)
Renminbi	(657,626)	194,464
Japanese Yen	(291,874)	(333,203)
Great Britain Pounds	(24,336)	(23,650)
New Taiwan Dollars	(22,627)	(23,029)
Other currencies	(887)	(341)
Impact on equity		
Japanese Yen	(157,485)	(287,103)
Renminbi	(4,372,056)	(4,319,806)

	The Company	
	2026 RM	2025 RM
Impact on profit or loss		
United States Dollars	(51,889)	(64,136)
Great Britain Pounds	(18,860)	(17,767)

iii. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties, as a means of mitigating the risk of financial loss from defaults. The Group and the Company use its own trading records to rate its major customers. The Group's and the Company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Performing	The counterparty has a low risk of default and does not have any past-due amount	12 months ECL
Doubtful	Amount > 120 days past due and/or there has been a significant increase in credit risk since initial recognition	Lifetime ECL – Not credit-impaired
In default	Amount > 180 days past due and/or there is evidence indicating the asset is credit-impaired	Lifetime ECL – credit-impaired
Write-off	Amount > 365 days past due and/or there is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery	Amount is written off

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. FINANCIAL INSTRUMENTS (Cont'd)

c. Financial risk management objectives and policies (Cont'd)

iii. Credit risk management (Cont'd)

The tables below detail the credit quality of the Group's financial assets and other items, as well as the Group's maximum exposure to credit risk by credit risk rating grades:

	Note	External credit rating	Internal credit rating	12 months or lifetime ECL?	Gross carrying amount RM	Loss allowance RM	Net carrying amount RM
March 31, 2026							
Trade receivables	19	N/A	(i)	Lifetime ECL (simplified approach)	34,156,469	(694,789)	33,461,680
March 31, 2025							
Trade receivables	19	N/A	(i)	Lifetime ECL (simplified approach)	43,528,449	-	43,528,449

(i) For trade receivables, the Group has applied the simplified approach in MFRS 9 *Financial Instruments* to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix.

Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable.

As of the end of the reporting period, approximately 97% (2025: 95%) of the Group's trade receivables were due from 7 (2025: 10) major customers.

Apart from these major customers, the Group does not have significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are related entities. Concentration of credit risk to any other counterparties did not exceed 1% (2025: 1%) of gross trade receivables as of the end of the reporting period.

The carrying amount of financial assets recognised in the financial statements, which is net of impairment losses, represents the Group's and the Company's maximum exposure to credit risk.

Further details of credit risks on trade receivables are disclosed in Note 19.

The credit risk on liquid funds is limited because the counterparties are reputable banks.

31. FINANCIAL INSTRUMENTS (Cont'd)

c. Financial risk management objectives and policies (Cont'd)

iii. Credit risk management (Cont'd)

Financial guarantee

The Company provides unsecured financial guarantee to a licensed bank in respect of banking facilities granted to a subsidiary. The Company monitors on an ongoing basis the repayments made by the subsidiary and their financial performance.

The maximum exposure to credit risk amounts to RM Nil (2025: RM498,522) representing the outstanding balance of banking facilities of the subsidiary in which financial guarantee is given by the Company as of the end of the reporting period.

As of the end of the reporting period, there was no indication that the subsidiary would default on repayment.

The financial guarantee has not been recognised since the fair value on initial recognition was immaterial as the financial guarantee provided by the Company did not contribute towards credit enhancement of the subsidiary's borrowings in view of the securities pledged by the subsidiary and it was not probable that the counterparty to financial guarantee contract will claim under the contract.

iv. Interest rate risk management

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to changes in interest rates relates primarily to the Group's and the Company's short-term deposits.

As of the end of the reporting date, if interest rates on short-term deposits had been 100 (2025: 100) basis points lower/higher with all other variables held constant, the Group's loss for the year would have been RM18,395 higher/lower (2025: profit for the year would have been RM15,596 lower/higher) arising mainly as a result of lower/higher interest income on short-term deposits.

As of the end of the reporting date, if interest rates on short-term deposits had been 100 (2025: 100) basis points lower/higher with all other variables held constant, the Company's loss for the year would have been RM17,636 (2025: RM14,748) higher/lower arising mainly as a result of lower/higher interest income on floating rate short-term deposits.

The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

v. Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Group's and the Company's funding and liquidity management requirements. The Group and the Company manage liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and financial liabilities. Note 26 sets out details of the additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk.

The following table details the Group's and the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date of which the Group and the Company was required to pay.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

31. FINANCIAL INSTRUMENTS (Cont'd)

c. Financial risk management objectives and policies (Cont'd)

v. Liquidity risk management (Cont'd)

	Weighted average effective rate/ Incremental borrowing rate*	The Group	
		2026	2025
	%	RM	RM
Trade and other payables			
Not later than 1 year	-	16,003,012	18,849,890
Lease liabilities*			
Not later than 1 year	2.18 - 4.87	1,049,109	924,401
Between 1 year to 5 years	2.18 - 4.87	1,962,383	1,667,412
		3,011,492	2,591,813
Borrowings			
Not later than 1 year	5.33 - 5.34	-	498,522

	Weighted average effective rate/ Incremental borrowing rate*	The Company	
		2026	2025
	%	RM	RM
Trade and other payables			
Not later than 1 year	-	843,018	180,584
Lease liabilities*			
Not later than 1 year	5.05	228,000	114,000
Between 1 year to 5 years	5.05	342,000	-
		570,000	114,000
Financial guarantee contracts	5.33 - 5.34	-	498,522

The amounts included above for financial guarantee contracts are the maximum amounts of the Company could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterpart to the guarantee. Based on expectations as of the end of the reporting period, the Company considers it remote to make such payment under the arrangement.

vi. Cash flow risk management

The Group and the Company review its cash flow position regularly to manage its exposures to fluctuations in future cash flows associated with its monetary financial instruments.

d. Fair value measurements

The directors consider that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair values due to the short maturity of these financial instruments, except for lease liabilities which is disclosed in Note 27.

The carrying values of lease liabilities approximate their fair values as it bear interest rates which approximate the current incremental borrowing rates for similar types of lending and borrowing arrangements.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

32. RELATED PARTY BALANCES AND TRANSACTIONS

Included in the following account of the Group as of March 31, 2026 is an amount owing by the following related party:

	The Group	
	2026	2025
	RM	RM
Trade receivables:		
IQ (America) Inc. *	13,943,381	8,853,534

* A company in which a director has substantial interests and is a director.

The amount owing by related party, included in trade receivables arose mainly from trade transactions. The credit periods granted to related parties range from 30 to 120 days (2025: 30 to 120 days).

The financial statements of the Group reflect the following significant related party transactions which are based on terms negotiated between the Group and its related parties:

	The Group	
	2026	2025
	RM	RM
With related parties:		
IQ (America) Inc.:		
Sales of finished goods	5,780,331	2,343,890
Sensorlite Inc.:		
Purchase of raw materials and work-in-progress	1,533,450	841,498
Lease expense on short-term leases paid/payable	886,705	871,110
Procurement commission paid/payable	-	6,436

The financial statements of the Company reflect the following significant intercompany transactions which are based on terms negotiated between the Company and its subsidiary companies:

	The Company	
	2026	2025
	RM	RM
IQ Group Sdn. Bhd.:		
Management fee received/receivable	6,186,269	5,801,608
Marketing service fee received/receivable	496,120	460,914
Interest income received/receivable	378,903	417,102
Rental of premises paid/payable	228,000	228,000
Net advances from/(repayment of advances to)	673,550	(1,000,396)

Key management personnel compensation

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel of the Group and of the Company include executive directors and non-executive directors of the Company and certain members of senior management of the Group and of the Company.

The remuneration of key management personnel is disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

33. DIRECTORS' BENEFITS-IN-KIND

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Estimated cash value of benefits-in-kind provided to directors	256,994	250,926	256,994	250,926

34. CAPITAL COMMITMENTS

As of March 31, 2026, the Group and the Company have the following commitments in respect of capital expenditure on property, plant and equipment:

	The Group		The Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Approved and contracted for	48,280	108,663	-	-

35. SEGMENTAL REPORTING

Products and services from which reportable segments derive their revenue

Information reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance focuses on types of goods or services provided. The Group's reportable segments under MFRS 8 *Operating Segments* are therefore as follows:

a. investment holding (includes management services);
b. manufacturing of motion sensors, sensor lighting, wireless door entry products, door bells, home security system, lighting fixtures, sensor product, wireless product, security product and household electrical appliances; and
c. trading of motion sensors, sensor lighting and wireless door entry products.

Inter-segment sales are charged at cost plus a percentage of profit mark-up.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. SEGMENTAL REPORTING (Cont'd)

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments:

The Group

	Investment holding RM	Manufacturing RM	Trading RM	Elimination RM	Total RM
2026					
Revenue					
External revenue	-	87,626,524	16,221,723	-	103,848,247
Inter-segment revenue	6,682,389	88,558,020	-	(95,240,409)	-
Total revenue	6,682,389	176,184,544	16,221,723	(95,240,409)	103,848,247
Results					
Segment loss	(7,482,759)	(11,754,913)	(1,157,326)	18,461,178	(1,933,820)
Investment revenue					755,954
Other losses					(6,124,090)
Finance costs					(107,742)
Loss before tax					(7,409,698)
Tax expense					(1,143,690)
Loss for the year					8,553,388
2025					
Revenue					
External revenue	-	89,630,228	20,715,898	-	110,346,126
Inter-segment revenue	6,262,522	102,699,841	-	(108,962,363)	-
Total revenue	6,262,522	192,330,069	20,715,898	(108,962,363)	110,346,126
Results					
Segment profit/(loss)	(1,460,301)	(229,349)	(124,422)	5,729,936	3,915,864
Investment revenue					732,200
Other gains					(2,598,819)
Finance costs					(167,714)
Profit before tax					1,881,531
Tax expense					(1,391,245)
Profit for the year					490,286

The accounting policies of the reportable segments are the same as the Group's accounting policies described in Note 3. Segment profit represents the profit earned by each segment without investment revenue, other gains and losses and tax expense. This is the measure reported to the chief operating decision maker for the purpose of resource allocation and assessment of segment performance.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. SEGMENTAL REPORTING (Cont'd)

Segment assets and liabilities

The Group

	Investment holding RM	Manufacturing RM	Trading RM	Elimination RM	Total RM
2026					
Assets					
Segment assets	26,636,601	103,701,577	7,153,679	(815,602)	136,676,255
Current and deferred tax assets					1,081,759
Consolidated total assets					137,758,014
Liabilities					
Segment liabilities	706,149	17,672,735	1,017,033	(536,681)	18,859,236
Current and deferred tax liabilities					897,096
Consolidated total liabilities					19,756,332
2025					
Assets					
Segment assets	28,840,683	107,338,566	14,671,772	(545,047)	150,305,974
Current and deferred tax assets					1,421,767
Consolidated total assets					151,727,741
Liabilities					
Segment liabilities	293,347	20,810,104	765,308	(112,763)	21,755,996
Current and deferred tax liabilities					1,362,260
Consolidated total liabilities					23,118,256

For the purposes of monitoring segment performance and allocating resources between segments:

a. all assets allocated to reportable segments other than current and deferred tax assets.
b. all liabilities are allocated to reportable segments other than other financial liabilities, current and deferred tax liabilities.

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. SEGMENTAL REPORTING (Cont'd)

Other segment information

The Group

	Investment holding RM	Manufacturing RM	Trading RM	Elimination RM	Total RM
2026					
Other information					
Depreciation and amortisation expenses	344,631	3,826,575	165,564	(287,526)	4,049,244
Addition to non-current assets	28,338	1,485,006	33,074	-	1,546,418
Allowance for inventories obsolescence	-	1,293,569	-	-	1,293,569
Inventories written off	-	1,233,036	-	-	1,233,036
Impairment loss on trade receivables	-	694,789	-	-	694,789
Impairment loss on property, plant and equipment	-	123,091	-	-	123,091
Inventories written down	-	77,541	-	-	77,541
Non-cash expense other than depreciation and amortisation	1,785	6,248	-	222	8,255
2025					
Other information					
Depreciation and amortisation expenses	345,394	4,079,288	174,244	(487,486)	4,111,440
Addition to non-current assets	13,382	1,549,984	-	-	1,563,366
Inventories written off	-	877,585	-	-	877,585
Inventories written down	-	62,358	-	-	62,358
Loss on disposal of property, plant and equipment	-	13,082	-	251	13,333
Non-cash expense other than depreciation and amortisation	-	2,422	-	-	2,422

Revenue from major products and services

Analysis of revenue from major products and services was not disclosed as it is not practical to analyse this information without incurring excessive cost.

Geographical information

The Group's manufacturing activities are located in Malaysia and People's Republic of China and trading activities are located in Japan.

The Group's revenue from external customers attributed to countries of domicile of the Company and its subsidiary companies are detailed below:

	The Group 2026 RM	The Group 2025 RM
Malaysia	87,324,562	89,070,613
Japan	16,221,723	20,715,898
People's Republic of China	301,962	559,615
	103,848,247	110,346,126

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

35. SEGMENTAL REPORTING (Cont'd)

Geographical information (Cont'd)

The Group's revenue from external customers attributed to countries from which the Company and its subsidiary companies derive revenue are detailed below:

	The Group	
	2026	2025
	RM	RM
Europe countries	73,747,536	77,236,666
Asia countries	20,866,492	26,521,659
North America countries	9,234,219	6,587,801
	103,848,247	110,346,126

Information about the Group's non-current assets by location are detailed below:

	The Group	
	2026	2025
	RM	RM
Malaysia	18,324,025	11,643,771
People's Republic of China	6,417,932	5,957,655
Japan	522,834	313,436
	25,264,791	17,914,862

Information about major customers

Included in revenue of the Group is revenue amounting to RM46,230,650 (2025: RM47,620,586) and RM10,624,331 (2025: RM13,833,917) which arose from sales to the Group's largest and second largest customers respectively.

36. SUBSEQUENT EVENT

On May 4, 2026, the Group announced the cessation of manufacturing operations of a subsidiary company, IQ Group Sdn. Bhd. as part of the Group's restructuring and cost optimisation initiatives.

As the decision to cease manufacturing operations and the related announcement were made subsequent to the reporting date, the event represents a non-adjusting event after the reporting period. Accordingly, no adjustments have been made to the amounts recognised in the financial statements of the Group as of March 31, 2026 other than as mentioned below.

In assessing the carrying amounts of the assets as of March 31, 2026, the Group considered the conditions existing as of the reporting date. An allowance for inventories obsolescence amounting to RM1,293,569 was recognised, taking into consideration the expected future utilisation and transferability of inventories by the Group. Further details are disclosed in Note 18.

STATEMENT BY DIRECTORS/ DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

The directors of **IQ GROUP HOLDINGS BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of March 31, 2026 and of the financial performance and the cash flows of the Group and of the Company for the year ended on that date.

Signed in accordance with a
resolution of the Directors,

CHEN, WEN-CHIN ALSO KNOWN AS KENT CHEN

DANIEL JOHN BEASLEY

Penang,

June 29, 2026

DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **CHEE TING TING (MIA MEMBERSHIP NO. 14767),** the officer primarily responsible for the financial management of **IQ GROUP HOLDINGS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements 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.

Subscribed and solemnly declared by the abovenamed **CHEE TING TING** at **GEORGETOWN** in the State of **PENANG** on June 29, 2026.

CHEE TING TING
GROUP FINANCIAL CONTROLLER

Before me,

COMMISSIONER FOR OATHS

LIST OF PROPERTIES
31 MARCH 2026

The details of the landed properties of the Group are as follows:-

Registered Owner/ Location	Description/ Existing Use/ Restriction of Interest	Land Area/ Built-up Area	Approximate Age of Building (year)	Tenure/ Encumbrances	Date of acquisition	Net Book Value as at 31.03.2026 (RM'000)
Leasehold Land and Buildings **IQ Group Sdn. Bhd.** Plot 149, Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas, Fasa 1 (FTZ), Bayan Lepas 11900 Penang held under P.T.1300 H.S. (D) 12680, Mukim 12, Daerah Barat Daya, Pulau Pinang	**Description** 2-storey factory cum office with a mezzanine floor **Existing Use** Industry use as head office, R&D centre and factory premises **Restriction of Interest** (a) The land shall not be transferred, charged, leased, sub-leased or disposed of without the written consent of the State Authority of Penang; and (b) The land shall not be sub-divided or partitioned.	8,136.93 square metre/ 6,091.79 square metre	36	**Tenure** Leasehold 60 years (expiring 22.09.2049) **Encumbrances** A 30 year lease of part of the land to Tenaga Nasional Berhad (expired on 15.09.2021)	05.12.1988	1,542
IQ Group Sdn. Bhd. Plot 151, Jalan Sultan Azlan Shah Taman Perindustrian Bayan Lepas Fasa 1 (FTZ), Bayan Lepas 11900 Penang held under P.T. 1246 H.S. (D) 12566, Mukim 12, Daerah Barat Daya, Pulau Pinang	**Description** 2-storey factory cum office **Existing Use** Industry use as head office, R&D centre and factory premises **Restriction of Interest** (a) The land shall not be transferred, charged, leased, sub-leased or disposed of without the written consent of the State Authority; and (b) The land shall not be sub-divided or partitioned	6,754.89 square metre/ 2,998.94 square metre	36	**Tenure** Leasehold 60 years (expiring on 11.06.2049) **Encumbrances** A 30 year lease of part of the land to Tenaga Nasional Berhad (expired on 25.09.2021)	10.07.1999	2,972

No revaluation exercise has been carried out on the land and buildings.

ANALYSIS OF SHAREHOLDINGS
(As at 30 June 2026)

Share capital

Total number of issued shares	:	88,028,550
Class of Shares	:	Ordinary shares
Voting Rights	:	One voting right for one ordinary share

Size of holdings	No of holders	%	No. of shares	%
Less than 100 shares	321	15.72	1,239	0.00
100 – 1,000 shares	656	32.12	249,822	0.29
1,001 – 10,000 shares	705	34.53	3,382,237	3.84
10,001 –100,000 shares	314	15.38	9,372,600	10.65
100,001 – 4,401,426 (*)	44	2.15	22,467,711	25.52
4,401,427 and above (**)	2	0.10	52,554,941	59.70
TOTAL	2,042	100.00	88,028,550	100.00

(*) Less than 5% of issued shares
(**) 5% and above of issued shares

DIRECTORS' SHAREHOLDINGS

	Direct		Indirect	
Name of Directors	No. of shares	%	No. of shares	%
Chen, Wen-Chin also known as Kent Chen	16,895,701	19.19	41,171,451 ^	46.77
Daniel John Beasley	40,000	0.05	-	-
Chen, Yi-Chung	-	-	-	-
Tan Boon Hoe	-	-	-	-
Teresa Tan Siew Kuan	-	-	-	-
Koay Huck Khim	-	-	-	-

^ By virtue of his substantial interest in Sensorlite Limited and Sensorlite Investments Limited and interest of spouse by virtue of Section 59(11)(c) of the Companies Act 2016

SUBSTANTIAL SHAREHOLDERS

	Direct		Indirect	
Name of Shareholders	No. of shares	%	No. of shares	%
Sensorlite Limited	35,659,240	40.51	-	-
Chen, Wen-Chin also known as Kent Chen	16,895,701	19.19	39,638,867+	45.03

+ By virtue of his substantial interest in Sensorlite Limited and Sensorlite Investments Limited

ANALYSIS OF SHAREHOLDINGS
(As at 30 June 2026) (Cont'd)

TOP THIRTY SECURITIES ACCOUNT HOLDERS
(Without aggregating securities from different securities accounts belonging to the same registered holder)

No.	Name	No. of shares	%
1.	Sensorlite Limited	35,659,240	40.51
2.	Chen, Wen-Chin also known as Kent Chen	16,895,701	19.19
3.	Ultra Top International Co., Ltd.	4,391,100	4.99
4.	Sensorlite Investments Limited	3,979,627	4.52
5.	Lee Kok Hin	2,153,600	2.45
6.	Chang, Su-Chu	1,532,584	1.74
7.	Public Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For RME Holdings Sdn. Bhd. (E-KTU)	941,000	1.07
8.	Jusoh Bin Ali	700,000	0.79
9.	Maybank Nominees (Tempatan) Sdn Bhd Lee Yau Ngan	640,400	0.73
10.	Chee Sai Mun	578,900	0.66
11.	Lai Thiam Poh	511,500	0.58
12.	Syarikat Shukor Sakam Sdn. Bhd.	500,000	0.57
13.	Tan Wei Yen	400,000	0.45
14.	Apex Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Lee Chee Keong	366,000	0.42
15.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account For Ong Chuan Sin (CCTS)	311,900	0.35
16.	Teoh Hin Heng	288,000	0.33
17.	Ong Yong Hang	285,400	0.32
18.	Lai Shwu Yan	268,300	0.30
19.	AMSEC Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Quek See Kui	256,900	0.29
20.	Chu Eng Hock	250,000	0.28
21.	Teh Bee Gaik	227,500	0.26
22.	Tay Chee Kien	226,000	0.26
23.	Yeap Leong Peng	220,000	0.25
24.	Lee Kok Leong	216,600	0.25
25.	iFAST Nominees (Tempatan) Sdn Bhd Exempt An for iFAST Financial Pte. Ltd. (M0133810)	214,000	0.24
26.	Lim Kee	205,000	0.23
27.	HLIB Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account For Tan Ah Kow	201,300	0.23
28.	Ang Seng Long	200,000	0.23
29.	Yap Wern Yian	200,000	0.23
30.	Zainul Abideen Bin Fazle Abbas	200,000	0.23
		73,020,552	82.95

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IQ-group

IQ GROUP HOLDINGS BERHAD
(200301034523) (636944-U)
(Incorporated in Malaysia)

PROXY FORM

CDS Account No.

No. of shares held

I/We ______________________________ Tel: ______________
[Full name in block, NRIC/Passport/Company No.]

of ______________________________

being member(s) of **IQ Group Holdings Berhad**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and / or* (*delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him, the Chairperson of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Twenty-Third Annual General Meeting of the Company to be held at the R & D Detection Test Floor, IQ Group Holdings Berhad, 149, Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas Fasa 1 (FTZ), 11900 Bayan Lepas, Penang on Thursday, 27 August 2026 at 2.30 p.m.

Description of Resolution	Resolution	For	Against
Re-election of Mr Daniel John Beasley	Ordinary Resolution 1		
Re-election of Mr Chen, Yi-Chung	Ordinary Resolution 2		
Approval of Directors' Fees for the financial year ending 31 March 2027	Ordinary Resolution 3		
Approval of Directors' benefits	Ordinary Resolution 4		
Re-appointment of Deloitte Malaysia PLT as Auditors	Ordinary Resolution 5		
Renewal of Share Buy-Back Authority	Ordinary Resolution 6		
Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature and Proposed New Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	Ordinary Resolution 7		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this day of

____
Signature*
Member

** Manner of execution:*
(a) If you are an individual member, please sign where indicated.
(b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
(c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
(i) at least two (2) authorised officers, of whom one shall be a director; or
(ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:
1. *For the purpose of determining who shall be entitled to attend this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available to the Company, a Record of Depositors as at 20 August 2026. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote on his/her/its behalf.*
2. *A member entitled to attend and vote at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his place. A proxy may but need not be a member of the Company.*
3. *A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.*
4. *If two (2) proxies are appointed, the entitlement of those proxies to vote on a show of hands shall be in accordance with the listing requirements of the stock exchange.*
5. *Where a member of the Company is an authorised nominee as defined in the Central Depositories Act, it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
6. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act") which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*
7. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*
8. *The appointment of a proxy may be made in hard copy form or by electronic means.*
   (i) In hard copy form
   By hand or post to the office of the Company's registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang, Malaysia.
   (ii) By electronic form
   You may also submit your proxy appointment electronically via Vistra Share Registry and IPO (MY) portal ("Vistra SRMY portal") at https://srmy.vistra.com. Please do read and follow the procedures below to submit proxy form electronically.
   Please refer to the Administrative Guide for further information on electronic submission. All proxy forms submitted must be received by the Company not less than forty-eight (48) hours before the time appointed for holding this General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote.
9. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the registered office of the Company situated at Suite A, Level 9, Wawasan Open University, 54 Jalan Sultan Ahmad Shah, 10050 Georgetown, Penang not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
10. *Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.*
11. *Last date and time for lodging this proxy form is 2.30 p.m., 25 August 2026 (Tuesday).*
12. *Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:*
    a. Identity card (NRIC) (Malaysian), or
    b. Police report (for loss of NRIC) / Temporary NRIC (Malaysian), or
    c. Passport (Foreigner).
13. *For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in this proxy form if this has not been lodged at the Company's registered office earlier.*

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IQ GROUP HOLDINGS BERHAD

(200301034523) (636944-U)

Suite A, Level 9

Wawasan Open University

54 Jalan Sultan Ahmad Shah

10050 Georgetown

Penang

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IQ GROUP HOLDINGS BERHAD
(200301034523) (636944-U)
(Incorporated in Malaysia)

ANNUAL REPORT REQUEST FORM

Dear Shareholder,

Please complete your particulars below and return this form through mail to IQ Group Holdings Berhad at 149, Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas, Fasa 1 (FTZ), Bayan Lepas, 11900 Penang, Malaysia or fax to 604-6423769 should you wish to receive a hardcopy of the 2026 Annual Report. You may also contact Ms. Loo Siew Theng at telephone no. 604-6446677 (ext.178) or email your request to st.loo@iq-group.com.

The hardcopy of the Annual Report will be posted to you as soon as reasonably practicable from the date of receipt of your verbal or written request. Alternatively, you may download the Annual Report from www-iq-group.com.

Particulars of Shareholder

Name of Shareholder :

Phone contact No. :

I/C No./Passport No. or Company No. :

CDS Account No. :

Correspondence Address :

Date : ______________________

Signed : ______________________

FOLD THIS FLAP FOR SEALING

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STAMP

IQ-group

IQ GROUP HOLDINGS BERHAD

(200301034523) (636944-U)

Suite A, Level 9

Wawasan Open University

54 Jalan Sultan Ahmad Shah

10050 Georgetown

Penang

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IQ GROUP HOLDINGS BERHAD
(200301034523)(636944-U)
(Incorporated in Malaysia under the Companies Act, 1965)

149 Jalan Sultan Azlan Shah, Taman Perindustrian Bayan Lepas,
Fasa 1 (FTZ), Bayan Lepas, 11900 Pulau Pinang, Malaysia.

Tel: 04-644 6677
Fax: 04-644 9677
Web: www.iq-group.com