

BIB INSURANCE BROKERS SDN. BHD.
Registration No. 197601004165 (30129 - M)
(Incorporated in Malaysia)

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS
30 JUNE 2026

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

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BIB INSURANCE BROKERS SDN. BHD.
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DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in the business as insurance brokers, insurance consultants, commission agents and investment holding company whilst the principal activities of the subsidiaries are principally engaged in the offshore insurance broking and rent-a-captive insurance business. Details of the subsidiaries are set out in Note 9 to the financial statements.

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

RESULTS

	Group RM	Company RM
Profit for the financial year attributable to owners of the Company	<u>3,182,234</u>	<u>2,918,319</u>

DIVIDENDS

Dividends paid, declared and proposed since the end of the previous financial year were as follows:

	RM
In respect of financial year ended 30 June 2026:	
First interim single tier dividend of approximately RM 0.67 per ordinary share, declared on 8 April 2026 and paid on 15 April 2026	1,000,000
Second interim single tier dividend of approximately RM1.00 per ordinary share, declared on 30 June 2026 and paid on 10 September 2026	<u>1,500,000</u>
	<u>2,500,000</u>

The Directors do not recommend any final dividend to be paid for the financial year ended 30 June 2026.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those presented in the statements of changes in equity.

ISSUE OF SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

DIRECTORS

The Directors who have held office during the financial year and up to the date of this report are as follows:

Tun Dato' Seri Zaki bin Tun Azmi, Chairman
Lim Chew Yan
Chok Kwee Bee
Tang Hong Cheong
Fina Norhizah binti Baharu Zaman (Resigned on 11 June 2026)

Subsidiaries of BIB Insurance Brokers Sdn. Bhd. (excluding those who are already listed above)

Lim Lee Ling

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in ordinary shares of the Company and of its related corporations during the financial year ended 30 June 2026 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 59 of the Companies Act 2016 in Malaysia were as follows:

	< ----- Number of ordinary shares ----- >		
	Balance as at 1.7.2025	Bought Sold	Balance as at 30.6.2026
Shares in the Company			
Direct interest			
Tun Dato' Seri Zaki Bin Tun Azmi	300,000	-	300,000

The other Directors holding office at the end of the financial year did not hold any beneficial interest in the ordinary shares of the Company or ordinary shares and debentures of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements or the fixed salary of a full-time employee of the Company or a related company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

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

DIRECTORS' REMUNERATION

Remuneration of the Directors who held office during the financial year ended 30 June 2026 are as follows:

	Group and Company RM
Fees	<u>213,082</u>

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

There were no indemnity given to or insurance effected for the Directors, officers and auditors of the Group and of the Company during the financial year.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the financial statements of the Group and of the Company were prepared, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and had satisfied themselves that there were no known bad debts to be written off and that adequate provision had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the 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.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would necessitate the writing off of bad debts or render the amount of the provision for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent;
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

**OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY
(continued)**

**(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT
(continued)**

(d) In the opinion of the Directors:

- (i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
- (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which would or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

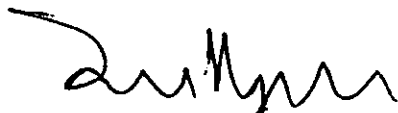
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AUDITORS

The auditors, BDO PLT (201906000013 (LLP0018825-LCA) & AF 0206), have expressed their willingness to continue in office.

Auditors' remuneration of the Group and of the Company for the financial year ended 30 June 2026 amounted to RM100,000 and RM54,000 respectively.

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



.....
Tun Dato' Seri Zaki Bin Tun Azmi
Director



.....
Lim Chew Yan
Director

Kuala Lumpur
22 September 2026

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

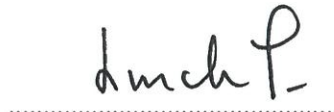
STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 11 to 55 have been drawn up in accordance with Malaysian Financial Reporting Standards, IFRS Accounting Standards, and the provisions of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and of the financial performance and cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,



Tun Dato' Seri Zaki Bin Tun Azmi
Director


Lim Chew Yan
Director

Kuala Lumpur
22 September 2026

STATUTORY DECLARATION

I, Chua Yu Tang, being the officer primarily responsible for the financial management of BIB Insurance Brokers Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 11 to 55 are, to the best of my knowledge and belief, 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 at Kuala Lumpur)
this 22 September 2026)


Chua Yu Tang
Chief Executive Officer

Before me:



SUITE 9.03, TINGKAT 9
MENARA RAJA LAUT
NO. 288 JALAN RAJA LAUT
50350 KUALA LUMPUR



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of BIB Insurance Brokers Sdn. Bhd., which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 11 to 55.

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

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing ("ISAs"). 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"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

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 Directors' Report but does not include the financial statements of the Group and of the Company and our auditors' report thereon.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BIB INSURANCE BROKERS SDN. BHD. (continued)
(Incorporated in Malaysia)**

**Information Other than the Financial Statements and Auditors' Report Thereon
(continued)**

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

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

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRSs, IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine 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 ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and ISAs 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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BIB INSURANCE BROKERS SDN. BHD. (continued)
(Incorporated in Malaysia)**

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

As part of an audit in accordance with approved standards on auditing in Malaysia and ISAs, 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 internal control of the Group and of the Company.
- (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 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 ability of the Group and of the Company 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.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
BIB INSURANCE BROKERS SDN. BHD. (continued)
(Incorporated in Malaysia)**

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

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.

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.

A handwritten signature in black ink, appearing to be 'BDO PLT'.

BDO PLT
201906000013 (LLP0018825-LCA) & AF 0206
Chartered Accountants

Kuala Lumpur
22 September 2026

A handwritten signature in black ink, appearing to be 'Lee Wee Hoong'.

Lee Wee Hoong
03316/07/2027 J
Chartered Accountant

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
ASSETS					
Non-current assets					
Property, plant and equipment	5	333,812	458,011	310,851	425,568
Right-of-use assets	6	485,047	794,867	382,470	669,988
Finance lease receivables	7	-	-	1,542	7,454
Intangible assets	8	251,008	328,522	251,008	328,522
Investments in subsidiaries	9	-	-	1,250,932	1,250,932
Other investments	10	5,519,506	5,318,904	5,519,506	5,318,904
		6,589,373	6,900,304	7,716,309	8,001,368
Current assets					
Trade and other receivables	11	22,957,177	16,961,415	21,264,039	14,738,201
Finance lease receivables	7	-	-	5,912	5,518
Current tax asset		17,179	-	-	-
Cash and bank balances	12	45,123,019	48,594,511	36,692,352	40,185,888
		68,097,375	65,555,926	57,962,303	54,929,607
TOTAL ASSETS		74,686,748	72,456,230	65,678,612	62,930,975
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	13	1,532,000	1,532,000	1,532,000	1,532,000
Reserves	14	41,846,332	41,341,346	36,845,887	36,427,568
TOTAL EQUITY		43,378,332	42,873,346	38,377,887	37,959,568
Non-current liabilities					
Borrowings	15	16	35	-	-
Lease liabilities	6	15,860	601,913	4,627	536,743
Deferred tax liabilities	16	12,097	104,883	12,097	104,883
		27,973	706,831	16,724	641,626

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

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

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Current liabilities					
Trade and other payables	17	29,155,927	26,812,161	25,249,765	22,350,064
Lease liabilities	6	516,544	334,896	426,521	270,498
Current tax liabilities		107,972	228,996	107,715	209,219
Dividend payable		1,500,000	1,500,000	1,500,000	1,500,000
		<u>31,280,443</u>	<u>28,876,053</u>	<u>27,284,001</u>	<u>24,329,781</u>
TOTAL LIABILITIES		<u>31,308,416</u>	<u>29,582,884</u>	<u>27,300,725</u>	<u>24,971,407</u>
TOTAL EQUITY AND LIABILITIES		<u>74,686,748</u>	<u>72,456,230</u>	<u>65,678,612</u>	<u>62,930,975</u>

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

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

**STATEMENTS OF PROFIT OR LOSS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Revenue	18	13,715,639	14,044,905	12,089,624	12,358,011
Direct costs		<u>(1,250,791)</u>	<u>(1,391,050)</u>	<u>(1,244,389)</u>	<u>(1,232,857)</u>
Gross profit		12,464,848	12,653,855	10,845,235	11,125,154
Other operating income		2,807,814	2,074,445	2,481,759	1,065,388
Net gains/(losses) on impairment of financial assets		51,795	(124,729)	64,204	(150,576)
Administrative expenses		(10,301,840)	(8,487,092)	(9,517,208)	(7,631,050)
Other operating expenses		(1,003,287)	(182,472)	(136,052)	(688,649)
Finance costs		(54,338)	(82,189)	(45,201)	(70,172)
Finance income		<u>-</u>	<u>-</u>	<u>722</u>	<u>1,088</u>
Profit before tax	20	3,964,992	5,851,818	3,693,459	3,651,183
Tax expense	21	<u>(782,758)</u>	<u>(1,104,084)</u>	<u>(775,140)</u>	<u>(1,057,258)</u>
Profit for the financial year		<u>3,182,234</u>	<u>4,747,734</u>	<u>2,918,319</u>	<u>2,593,925</u>
Profit attributable to owners of the Company		<u>3,182,234</u>	<u>4,747,734</u>	<u>2,918,319</u>	<u>2,593,925</u>
Dividends per ordinary share (sen)	22				
- 1st interim dividend		67	67	67	67
- 2nd interim dividend		<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026 (continued)

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit for the financial year	3,182,234	4,747,734	2,918,319	2,593,925
Other comprehensive income, net of tax				
Item that may be reclassified subsequently to profit or loss				
- Foreign currency translations	<u>(177,248)</u>	<u>(544,356)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial year	<u>3,004,986</u>	<u>4,203,378</u>	<u>2,918,319</u>	<u>2,593,925</u>
Total comprehensive income attributable to owners of the Company	<u>3,004,986</u>	<u>4,203,378</u>	<u>2,918,319</u>	<u>2,593,925</u>

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

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

Group	Note	Share capital RM	Exchange translation reserve RM	Retained earnings RM	Total equity RM
Balance as at 1 July 2024		1,532,000	6,962,902	32,675,066	41,169,968
Profit for the financial year		-	-	4,747,734	4,747,734
Other comprehensive income, net of tax					
- Foreign currency translations		-	(544,356)	-	(544,356)
Total comprehensive income for the financial year		-	(544,356)	4,747,734	4,203,378
Transaction with owners:					
Dividends, representing total transaction with owners	22	-	-	(2,500,000)	(2,500,000)
Balance as at 30 June 2025/ 1 July 2025		1,532,000	6,418,546	34,922,800	42,873,346
Profit for the financial year		-	-	3,182,234	3,182,234
Other comprehensive income, net of tax					
- Foreign currency translations		-	(177,248)	-	(177,248)
Total comprehensive income for the financial year		-	(177,248)	3,182,234	3,004,986
Transaction with owners:					
Dividends, representing total transaction with owners	22	-	-	(2,500,000)	(2,500,000)
Balance as at 30 June 2026		1,532,000	6,241,298	35,605,034	43,378,332

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

BIB INSURANCE BROKERS SDN. BHD.
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**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026**

Company	Note	Share capital RM	Retained earnings RM	Total equity RM
Balance as at 1 July 2024		1,532,000	36,333,643	37,865,643
Profit for the financial year		-	2,593,925	2,593,925
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	2,593,925	2,593,925
Transaction with owners				
Dividends, representing total transaction with owners	22	-	(2,500,000)	(2,500,000)
Balance as at 30 June 2025/1 July 2025		1,532,000	36,427,568	37,959,568
Profit for the financial year		-	2,918,319	2,918,319
Other comprehensive income, net of tax		-	-	-
Total comprehensive income		-	2,918,319	2,918,319
Transaction with owners				
Dividends, representing total transaction with owners	22	-	(2,500,000)	(2,500,000)
Balance as at 30 June 2026		1,532,000	36,845,887	38,377,887

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

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

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

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		3,964,992	5,851,818	3,693,459	3,651,183
Adjustments for:					
Amortisation of intangible assets	8	93,066	89,478	93,066	89,478
Depreciation of:					
- property, plant and equipment	5	149,808	146,950	140,496	137,227
- right-of-use assets	6	366,171	348,045	287,518	287,518
Dividend income		(227,902)	(232,650)	(227,902)	(232,650)
Impairment loss on:					
- trade receivables	11(g)	78,559	77,751	-	77,751
- other receivables	11(i)	-	72,825	-	72,825
Property, plant and equipment written off	20	-	1	-	1
Fair value (gain)/loss on other investment	20	(200,602)	105,693	(200,602)	140,065
Loss on disposal of other investments		-	9,228	-	-
Interest income	20	(1,070,950)	(1,146,934)	(934,560)	(971,916)
Interest expense	6	54,338	82,189	45,201	70,172
Finance income	7	-	-	(722)	(1,088)
Reversal of impairment losses on trade receivables	11(g)	(130,358)	(25,847)	(64,204)	-
Written back of:					
- Trade payable	17(e)	(352,203)	-	(352,203)	-
- Other payable	17(f)	(108,972)	-	-	-
Unrealised foreign exchange loss/(gain)		421,027	(771,867)	-	-
Operating profit before working capital changes		3,036,974	4,606,680	2,479,547	3,320,566
Changes in working capital:					
Finance lease receivables		-	-	6,240	6,240
Trade and other receivables		(6,673,508)	9,684,255	(6,462,160)	654,809
Trade and other payables		1,513,089	(8,844,349)	1,556,425	552,148
Cash (used in)/generated from operations		(2,123,445)	5,446,586	(2,419,948)	4,533,763
Income taxes paid		(1,016,112)	(1,053,649)	(972,400)	(1,053,649)
Income taxes refunded		2,970	-	2,970	-
Net cash (used in)/from operating activities		(3,136,587)	4,392,937	(3,389,378)	3,480,114

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

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

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Sale of other investments		-	4,466,122	-	-
Purchase of:					
- Intangible assets	8	(15,552)	(65,880)	(15,552)	(65,880)
- Property, plant and equipment	5	(26,640)	(44,176)	(25,779)	(37,825)
Interest income received		1,070,950	1,146,934	934,560	971,916
Dividend received		227,902	232,650	227,902	6,200,150
Placement of deposits with licensed banks with original maturities more than three (3) months		(2,250,000)	-	(2,250,000)	-
Net cash (used in)/from investing activities		(993,340)	5,735,650	(1,128,869)	7,068,361
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividends paid		(1,000,000)	(11,000,000)	(1,000,000)	(11,000,000)
Advance from a subsidiary		-	-	196,005	-
Payment of lease liabilities	6	(515,094)	(513,868)	(421,294)	(421,294)
Redemption of preference shares	15	(12)	(5)	-	-
Net cash used in financing activities		(1,515,106)	(11,513,873)	(1,225,289)	(11,421,294)
Net change in cash and cash equivalents		(5,645,033)	(1,385,286)	(5,743,536)	(872,819)
Cash and cash equivalents at beginning of financial year		48,594,511	50,031,949	40,185,888	41,058,707
Effect of foreign exchange difference		(76,459)	(52,152)	-	-
Cash and cash equivalents at end of financial year		<u>42,873,019</u>	<u>48,594,511</u>	<u>34,442,352</u>	<u>40,185,888</u>

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

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

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of each reporting period:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Deposits placed with licensed banks	29,717,386	31,839,781	23,650,000	26,500,000
Cash and bank balances	<u>15,405,633</u>	<u>16,754,730</u>	<u>13,042,352</u>	<u>13,685,888</u>
	45,123,019	48,594,511	36,692,352	40,185,888
Less:				
Placement of deposits with licensed banks with original maturity of more than three (3) months	<u>(2,250,000)</u>	<u>-</u>	<u>(2,250,000)</u>	<u>-</u>
Cash and cash equivalent as reported in statements of cash flows	<u>42,873,019</u>	<u>48,594,511</u>	<u>34,442,352</u>	<u>40,185,888</u>

RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	Group	Company
	RM	RM
Lease liabilities		
Balance as at 1 July 2025	936,809	807,241
Cash flows	(515,094)	(421,294)
Non-cash flows:		
- Unwinding of interest	54,338	45,201
- Remeasurement	<u>56,351</u>	<u>-</u>
Balance as at 30 June 2026	<u>532,404</u>	<u>431,148</u>
Balance as at 1 July 2024	1,368,488	1,158,363
Cash flows	(513,868)	(421,294)
Non-cash flows:		
- Unwinding of interest	<u>82,189</u>	<u>70,172</u>
Balance as at 30 June 2025	<u>936,809</u>	<u>807,241</u>

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

BIB INSURANCE BROKERS SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2026

1. CORPORATE INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The registered office of the Company is located at Level 32, Menara Hong Leong, No. 6, Jalan Damanlela, Bukit Damansara, 50490 Kuala Lumpur.

The principal place of business of the Company is located at Lot No. 5.01, Level 5, Wisma Hong Leong, No. 18 Jalan Perak, 50450 Kuala Lumpur.

The consolidated financial statements for the financial year ended 30 June 2026 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 22 September 2026.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business as insurance brokers, insurance consultants, commission agents and investment holding company whilst the principal activities of the subsidiaries are principally engaged in the offshore insurance broking and rent-a-captive insurance business. Details of the subsidiaries are set out in Note 9 to the financial statements.

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

3. BASIS OF PREPARATION

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

The accounting policies adopted are consistent with those of the previous financial year except for the effects of adoption of Amendments to MFRSs during the financial year. The Amendments to MFRSs adopted during the financial year are disclosed in Note 4.1 to the financial statements.

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

4. ADOPTION OF NEW MFRSs AND AMENDMENTS TO MFRSs

4.1 Amendments to MFRSs adopted during the financial year

The Group and the Company adopted the following Amendments of MFRSs Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year:

Title	Effective Date
Amendments to MFRS 121 <i>Lack of Exchangeability</i>	1 January 2025

Adoption of above Amendments did not have any material effect on the financial performance or position of the Group and of the Company.

4.2 New MFRSs that have been issued, but only effective for annual periods beginning on or after 1 July 2026

The following are Standards and Amendments of the MFRS Framework that have been issued by the MASB but have not been early adopted by the Group and the Company:

Title	Effective Date
Amendments to MFRS 9 and MFRS 7 <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Amendments to MFRS 9 and MFRS 7 <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
<i>Annual Improvements to MFRS Accounting Standards—Volume 11</i>	1 January 2026
MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendment to MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
Amendments to MFRS 121 <i>Translation to a Hyperinflationary Presentation Currency</i>	1 January 2027
MFRS 20 <i>Regulatory Assets and Regulatory Liabilities</i>	1 January 2029
Amendments to MFRS 10 and MFRS 128 <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred
Amendments to MFRS 128 <i>Amendments to the Fair Value Option for Investments in Associates and Joint Ventures</i>	Applicable when an entity first applies MFRS 18

The Group and the Company are in the process of assessing the impact of implementing these Standards and Amendments, since the effects would only be observable in future financial years.

5. PROPERTY, PLANT AND EQUIPMENT

Group	Furniture and fittings, office and computer equipment RM	Motor vehicle RM	Office renovation RM	Total RM
2026				
Carrying amount				
Balance as at 1 July 2025	205,690	187,676	64,645	458,011
Addition	26,640	-	-	26,640
Depreciation charge	(66,658)	(64,346)	(18,804)	(149,808)
Exchange translation differences	(605)	-	(426)	(1,031)
Balance as at 30 June 2026	165,067	123,330	45,415	333,812
At 30 June 2026				
Cost	2,000,877	327,310	208,795	2,536,982
Accumulated depreciation	(1,830,340)	(203,980)	(163,380)	(2,197,700)
Accumulated impairment	(5,470)	-	-	(5,470)
Carrying amount	165,067	123,330	45,415	333,812
2025				
Carrying amount				
Balance as at 1 July 2024	227,256	252,022	85,681	564,959
Addition	44,176	-	-	44,176
Written off	(1)	-	-	(1)
Depreciation charge	(63,521)	(64,346)	(19,083)	(146,950)
Exchange translation differences	(2,220)	-	(1,953)	(4,173)
Balance as at 30 June 2025	205,690	187,676	64,645	458,011
At 30 June 2025				
Cost	1,981,629	327,310	210,775	2,519,714
Accumulated depreciation	(1,770,469)	(139,634)	(146,130)	(2,056,233)
Accumulated impairment	(5,470)	-	-	(5,470)
Carrying amount	205,690	187,676	64,645	458,011

5. PROPERTY, PLANT AND EQUIPMENT (continued)

Company	Furniture and fittings, office and computer equipment RM	Motor vehicle RM	Office renovation RM	Total RM
2026				
Carrying amount				
Balance as at 1 July 2025	186,700	187,676	51,192	425,568
Addition	25,779	-	-	25,779
Depreciation charge	(61,251)	(64,346)	(14,899)	(140,496)
Balance as at 30 June 2026	151,228	123,330	36,293	310,851
At 30 June 2026				
Cost	1,776,757	327,310	148,994	2,253,061
Accumulated depreciation	(1,625,529)	(203,980)	(112,701)	(1,942,210)
Carrying amount	151,228	123,330	36,293	310,851
2025				
Carrying amount				
Balance as at 1 July 2024	206,858	252,022	66,091	524,971
Addition	37,825	-	-	37,825
Written off	(1)	-	-	(1)
Depreciation charge	(57,982)	(64,346)	(14,899)	(137,227)
Balance as at 30 June 2025	186,700	187,676	51,192	425,568
At 30 June 2025				
Cost	1,750,978	327,310	148,994	2,227,282
Accumulated depreciation	(1,564,278)	(139,634)	(97,802)	(1,801,714)
Carrying amount	186,700	187,676	51,192	425,568

- (a) All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset. After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and any impairment losses.
- (b) Depreciation is calculated to write down the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal annual depreciation rates are as follows:

Furniture and fittings, office and computer equipment	10% - 20%
Motor vehicles	20%
Office renovation	10%

6. LEASES

Right-of-use assets

Group	Office premises RM	Equipment RM	Total RM
2026			
Carrying amount			
Balance as at 1 July 2025	755,846	39,021	794,867
Depreciation charge	(350,231)	(15,940)	(366,171)
Remeasurement	56,351	-	56,351
Balance as at 30 June 2026	461,966	23,081	485,047
At 30 June 2026			
Cost	2,863,718	139,292	3,003,010
Accumulated depreciation	(2,401,752)	(116,211)	(2,517,963)
Carrying amount	461,966	23,081	485,047
2025			
Carrying amount			
Balance as at 1 July 2024	1,087,949	54,963	1,142,912
Depreciation charge	(332,103)	(15,942)	(348,045)
Balance as at 30 June 2025	755,846	39,021	794,867
At 30 June 2025			
Cost	2,807,367	139,292	2,946,659
Accumulated depreciation	(2,051,521)	(100,271)	(2,151,792)
Carrying amount	755,846	39,021	794,867
Company			
2026			
Carrying amount			
Balance as at 1 July 2025	646,079	23,909	669,988
Depreciation charge	(276,891)	(10,627)	(287,518)
Balance as at 30 June 2026	369,188	13,282	382,470

6. LEASES (continued)

Right-of-use assets (continued)

Company	Office premises RM	Equipment RM	Total RM
2026			
At 30 June 2026			
Cost	2,392,384	92,861	2,485,245
Accumulated depreciation	(2,023,196)	(79,579)	(2,102,775)
Carrying amount	<u>369,188</u>	<u>13,282</u>	<u>382,470</u>
2025			
Carrying amount			
Balance as at 1 July 2024	922,970	34,536	957,506
Depreciation charge	(276,891)	(10,627)	(287,518)
Balance as at 30 June 2025	<u>646,079</u>	<u>23,909</u>	<u>669,988</u>
At 30 June 2025			
Cost	2,392,384	92,861	2,485,245
Accumulated depreciation	(1,746,305)	(68,952)	(1,815,257)
Carrying amount	<u>646,079</u>	<u>23,909</u>	<u>669,988</u>

Lease liabilities

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Balance as at beginning of the financial year	936,809	1,368,488	807,241	1,158,363
Remeasurement	56,351	-	-	-
Lease payment	(515,094)	(513,868)	(421,294)	(421,294)
Interest expense	<u>54,338</u>	<u>82,189</u>	<u>45,201</u>	<u>70,172</u>
Balance as at end of the financial year	<u>532,404</u>	<u>936,809</u>	<u>431,148</u>	<u>807,241</u>
Represented by:				
Current liabilities	516,544	334,896	426,521	270,498
Non-current liabilities	<u>15,860</u>	<u>601,913</u>	<u>4,627</u>	<u>536,743</u>
Lease liabilities owing to non-financial institutions	<u>532,404</u>	<u>936,809</u>	<u>431,148</u>	<u>807,241</u>

6. LEASES (continued)

- (a) The Group and Company leases the properties and equipment in the location which it operates. Leases of properties and equipment comprise only fixed payments over the lease terms.
- (b) Right-of-use assets are initially measured at cost, which comprise the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date of the lease.

After initial recognition, right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of the lease liability.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use assets or the end of the lease terms.

The lease terms of right-of-use assets are as follows:

Office premises	6 years
Equipment	5 years

- (c) The Group and the Company have certain leases of equipment which are considered as low-value leases. The Group and the Company apply the "lease of low-value assets" exemptions for these leases.
- (d) The following are the amounts recognised in profit or loss:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Depreciation charge of right-of-use assets	366,171	348,045	287,518	287,518
Interest expense on lease liabilities	54,338	82,189	45,201	70,172
Expense relating to leases of low-value assets	4,864	3,622	2,281	505
	<u>425,373</u>	<u>433,856</u>	<u>335,000</u>	<u>358,195</u>

6. LEASES (continued)

(e) The following are total cash outflows for leases as a lessee:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Included in net cash (used in)/from operating activities:				
Payment relating to leases of low-value assets	4,864	3,622	2,281	505
Included in net used in financing activities:				
Payments of lease liabilities	<u>515,094</u>	<u>513,868</u>	<u>421,294</u>	<u>421,294</u>
	<u>519,958</u>	<u>517,490</u>	<u>423,575</u>	<u>421,799</u>

- (f) Management exercises significant judgement in determining the incremental borrowing rates whenever the implicit rates of interest in a lease are not readily determinable as well as the lease terms. The incremental borrowing rates used are based on prevailing market borrowing rates over similar lease terms, of similar value as the right-of-use asset in a similar economic environment. Lease terms are based on management expectations driven by prevailing market conditions and past experience in exercising similar renewal and termination options.
- (g) Lease liabilities are denominated in RM.
- (h) Information on financial risks of lease liabilities is disclosed in Note 25 to the financial statements.

7. FINANCE LEASE RECEIVABLES

	Company	
	2026 RM	2025 RM
Carrying amount		
Non-current	1,542	7,454
Current	<u>5,912</u>	<u>5,518</u>
	<u>7,454</u>	<u>12,972</u>

7. FINANCE LEASE RECEIVABLES (continued)

- (a) The Company is an intermediate lessor in the sublease of office equipment to its subsidiaries. The subleases are classified as finance leases with reference to the right-of-use assets arising from the head leases. The Company derecognises the underlying assets and recognises receivables at an amount equal to net investments in finance leases. Net investments in the finance leases are measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset.
- (b) Interest income from lease receivables is recognised in the profit of loss using the effective interest rate method. Finance lease receivables bear interest of 6.89% (2025: 6.89%) per annum.
- (c) Movement of finance lease receivables is as follows:

	Company	
	2026	2025
	RM	RM
Balance as at beginning of financial year	12,972	18,124
Interest income	722	1,088
Lease payments received during the financial year	(6,240)	(6,240)
Balance as at end of financial year	<u>7,454</u>	<u>12,972</u>

- (d) All finance lease receivables of the Company are denominated in RM.
- (e) No expected credit loss is recognised arising from finance lease receivables as it is negligible.
- (f) The maturity profile of finance lease receivables at the end of each reporting period is summarised as follows:

	Company	
	2026	2025
	RM	RM
Maturity:		
Within one (1) year	6,240	6,240
One (1) to two (2) years	1,560	6,240
Two (2) to five (5) years	-	1,560
	<u>7,800</u>	<u>14,040</u>
Less: Unearned interest income	(346)	(1,068)
	<u>7,454</u>	<u>12,972</u>

8. INTANGIBLE ASSETS

	Group and Company Computer software	
	2026	2025
	RM	RM
Carrying amount		
Balance as at beginning of financial year	328,522	352,120
Additions	15,552	65,880
Amortisation charge during the financial year	<u>(93,066)</u>	<u>(89,478)</u>
Balance as at end of financial year	<u><u>251,008</u></u>	<u><u>328,522</u></u>
As at 30 June		
Cost	1,821,967	1,806,415
Accumulated amortisation	<u>(1,570,959)</u>	<u>(1,477,893)</u>
Carrying amount	<u><u>251,008</u></u>	<u><u>328,522</u></u>

- (a) Intangible assets are initially measured at cost. After initial recognition, intangible assets, excluding brand equity, are carried at cost less accumulated amortisation and any accumulated impairment losses.
- (b) Acquired software is capitalised on the basis of the costs incurred to acquire and bring to use the specific software.
- (c) Amortisation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful lives. The principal amortisation period for software is 20% (2025: 20%).

9. INVESTMENTS IN SUBSIDIARIES

	Company	
	2026	2025
	RM	RM
At cost:		
Unquoted shares	<u><u>1,250,932</u></u>	<u><u>1,250,932</u></u>

- (a) An investment in subsidiary, which is eliminated on consolidation, is stated in the separate financial statements of the Company at cost. Put options written over non-controlling interests on the acquisition of subsidiary shall be included as part of the cost of investment in the separate financial statements of the Company. Subsequent changes in the fair value of the written put options over non-controlling interests shall be recognised in profit or loss. Investments accounted for at cost shall be accounted for in accordance with MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale (or included in a disposal group that is classified as held for sale).

9. INVESTMENTS IN SUBSIDIARIES (continued)

(b) The details of the subsidiaries are as follows:

Name of company	Country of incorporation/ Principal place of business	Effective interest		Principal activities
		2026 %	2025 %	
BIB Asia (L) Berhad* ("BIB Asia")	Labuan, Malaysia	100	100	Offshore insurance broking, investment holding and offshore rent-a-captive insurance business
<u>Subsidiary of BIB Asia (L) Berhad</u>				
BIB Asia First PCC (L) Bhd.*	Labuan, Malaysia	100	100	Rent-a-captive insurance business

* Audited by BDO PLT.

(c) The subsidiaries, namely BIB Asia (L) Berhad and BIB Asia First PCC (L) Bhd., maintain segregated accounts for contract of insurance with participants in the "rent-a-captive" programme. The financial statements of the segregated accounts have been prepared separately and are not disclosed in the financial statements of the Group and of the Company.

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

As of 30 June 2026, the captive facilities were rented to 7 companies (2025: 12 companies).

(d) Management reviews the investments in subsidiaries for impairment when there is an indication of impairment. Recoverable amounts of the investments in subsidiaries are assessed by reference to the fair value less cost to sell of the underlying assets or the value-in-use of the respective subsidiaries. Value-in-use is the net present value of the projected future cash flows derived from business operations of the respective subsidiaries discounted at an appropriate pre-tax discount rate. This discounted cash flows method involves the use of estimated future results and a set of assumptions to support their income and cash flows. Significant judgements and estimates were used to determine the key assumptions applied to the cash flow projections, which includes the growth rates and the appropriate pre-tax discount rates used for each of the subsidiary. Impairment losses are made when the carrying amount of the investments in subsidiaries exceed its recoverable amount.

10. OTHER INVESTMENTS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Unit trusts	<u>5,519,506</u>	<u>5,318,904</u>	<u>5,519,506</u>	<u>5,318,904</u>

10. OTHER INVESTMENTS (continued)

- (a) Information on fair value hierarchy of other investments is disclosed in Note 24(c) to the financial statements. There is no transfer between levels in the hierarchy during the financial year.
- (b) Information on financial risks of other investments is disclosed in Note 25 to the financial statements.

11. TRADE AND OTHER RECEIVABLES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Trade receivables					
Third parties	(b)	22,312,247	16,525,394	20,810,622	14,404,664
Less: Impairment losses		(209,674)	(266,104)	(57,722)	(121,926)
		22,102,573	16,259,290	20,752,900	14,282,738
Other receivables					
Third parties		298,506	267,440	215,460	149,115
Amounts owing by subsidiaries	(c)	-	-	-	526
Amount owing by segregated accounts for rent-a-captive insurance business	(d)	138,823	-	-	-
Deposits		197,192	197,516	162,272	162,191
		634,521	464,956	377,732	311,832
Less: Impairment losses		(72,825)	(72,825)	(72,825)	(72,825)
		561,696	392,131	304,907	239,007
Total receivables		22,664,269	16,651,421	21,057,807	14,521,745
Prepayments		292,908	309,994	206,232	216,456
Total trade and other receivables		<u>22,957,177</u>	<u>16,961,415</u>	<u>21,264,039</u>	<u>14,738,201</u>

- (a) Trade receivables are non-interest bearing. They are recognised at their original invoice amounts, which represent their fair values on initial recognition.
- (b) The Group and Company collects premium on insurance policies from insureds on behalf of the insurance companies as a service provider. The net brokerage fee income receivables was RM781,989 (2025: RM841,226) for the Group and RM582,465 (2025: RM670,143) for the Company as at 30 June 2026.
- (c) In the previous financial year, amounts owing by subsidiaries represented advances and payments made on behalf, which were unsecured, interest-free and payable within the next twelve months.
- (d) Amounts owing by segregated accounts for rent-a-captive insurance business represent recoverable from segregated captive insurance funds arising from the administration and operation of the rent-a-captive insurance programmes. The balances are unsecured, interest-free and repayable on demand.

11. TRADE AND OTHER RECEIVABLES (continued)

- (e) The currency exposure profile of total receivables, net of prepayments is as follows:

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Ringgit Malaysia	21,666,691	15,750,043	21,057,807	14,521,745
US Dollar	879,885	14,306	-	-
Singapore Dollar	97,868	101,551	-	-
Hong Kong Dollar	1,199	763,086	-	-
Others	18,626	22,435	-	-
	<u>22,664,269</u>	<u>16,651,421</u>	<u>21,057,807</u>	<u>14,521,745</u>

- (f) Impairment for trade receivables and contract assets that do not contain a significant financing component are recognised based on the simplified approach within MFRS 9 using the lifetime expected credit losses.

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

The Group considers credit loss experience and observable data such as current changes and futures forecasts in economic conditions of the Group's industry to the financial statements to estimate the amount of expected credit losses. The methodology and assumptions including any forecasts of future economic conditions are reviewed regularly.

In measuring the expected credit losses on trade receivables, the probability of non-payment by the trade receivables is adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. The incorporation of forward-looking information did not have a significant impact on the measurement of the lifetime ECL.

Impairment for other receivables, finance lease receivables and amount owing by a subsidiary are recognised based on the general approach within MFRS 9 using the forward looking expected credit loss model. 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. For those in which the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those in which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. At the end of the reporting period, the Group assesses whether there has been a significant increase in credit risk for financial assets by comparing the risk for default occurring over the expected life with the risk of default since initial recognition. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

11. TRADE AND OTHER RECEIVABLES (continued)

(f) (continued)

The probability of non-payment other receivables, finance lease receivables and amount owing by a subsidiary are adjusted by forward looking information and multiplied by the amount of the expected loss arising from default to determine the twelve month or lifetime expected credit loss for the other receivables and amount owing by a subsidiary.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment loss account and the amount of impairment loss is recognised in profit or loss. When a financial asset becomes uncollectible, it is written off against the allowance for impairment loss account.

(g) The expected credit losses of trade receivables of the Group and of the Company are as follows:

Group	Gross carrying amount RM	Loss allowance RM	Net carrying amount RM
2026			
Past due			
1 to 60 days	3,852,711	(12,511)	3,840,200
61 to 180 days	11,449,442	(44,727)	11,404,715
181 to 365 days	2,728,475	(34,991)	2,693,484
More than 365 days	4,281,619	(117,445)	4,164,174
	<u>22,312,247</u>	<u>(209,674)</u>	<u>22,102,573</u>
2025			
Past due			
1 to 60 days	1,908,909	(18,030)	1,890,879
61 to 180 days	5,225,394	(24,801)	5,200,593
181 to 365 days	2,073,752	(53,958)	2,019,794
More than 365 days	7,317,339	(169,315)	7,148,024
	<u>16,525,394</u>	<u>(266,104)</u>	<u>16,259,290</u>
Company			
2026			
Past due			
1 to 60 days	3,795,182	(9,885)	3,785,297
61 to 180 days	11,102,695	(28,919)	11,073,776
181 to 365 days	2,051,044	(5,343)	2,045,701
More than 365 days	3,861,701	(13,575)	3,848,126
	<u>20,810,622</u>	<u>(57,722)</u>	<u>20,752,900</u>

11. TRADE AND OTHER RECEIVABLES (continued)

(g) (continued)

Company	Gross carrying amount RM	Loss allowances RM	Net carrying amount RM
2025			
Past due			
1 to 60 days	1,807,712	(14,860)	1,792,852
61 to 180 days	5,091,937	(41,857)	5,050,080
181 to 365 days	1,160,650	(13,057)	1,147,593
More than 365 days	6,344,365	(52,152)	6,292,213
	<u>14,404,664</u>	<u>(121,926)</u>	<u>14,282,738</u>

(h) The reconciliation of movements in the impairment losses on trade receivables is as follows:

Group	Lifetime ECL* allowance RM	Credit impaired RM	Total allowance RM
Balance as at 1 July 2025	262,588	3,516	266,104
Charge for the financial year	78,559	-	78,559
Reversal for the financial year	(130,358)	-	(130,358)
Exchange differences	(4,631)	-	(4,631)
Balance as at 30 June 2026	<u>206,158</u>	<u>3,516</u>	<u>209,674</u>
Balance as at 1 July 2024	230,094	3,516	233,610
Charge for the financial year	77,751	-	77,751
Reversal for the financial year	(25,847)	-	(25,847)
Exchange differences	(19,410)	-	(19,410)
Balance as at 30 June 2025	<u>262,588</u>	<u>3,516</u>	<u>266,104</u>
Company			
Balance as at 1 July 2025	118,410	3,516	121,926
Reversal for the financial year	(64,204)	-	(64,204)
Balance as at 30 June 2026	<u>54,206</u>	<u>3,516</u>	<u>57,722</u>
Balance as at 1 July 2024	40,659	3,516	44,175
Charge for the financial year	77,751	-	77,751
Balance as at 30 June 2025	<u>118,410</u>	<u>3,516</u>	<u>121,926</u>

* *Expected credit losses*

11. TRADE AND OTHER RECEIVABLES (continued)

(h) (continued)

Credit impaired refers to individually determined debtors who are in significant financial difficulties and have defaulted on payments to be impaired as at the financial year end.

(i) As at the end of each reporting period, the credit risks exposures and concentration relating to trade receivables of the Group and of the Company are summarised in the table below:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Maximum exposure	781,989	1,581,550	582,465	1,129,930
Collateral obtained	-	-	-	-
Net exposure to credit risk	<u>781,989</u>	<u>1,581,550</u>	<u>582,465</u>	<u>1,129,930</u>

During the financial year, the Group and the Company did not renegotiate the terms of any trade receivables.

(j) The reconciliation of movements in the impairment losses on other receivables is as follows:

	Credit impaired RM	Total allowance RM
Balance as at 1 July 2024	-	-
Charge for the financial year	<u>72,825</u>	<u>72,825</u>
Balance as at 30 June 2025/1 July 2025/30 June 2026	<u>72,825</u>	<u>72,825</u>

(k) Information on financial risks of trade and other receivables are disclosed in Note 25 to the financial statements.

12. CASH AND BANK BALANCES

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Deposits with licensed banks	29,717,386	31,839,781	23,650,000	26,500,000
Cash and bank balances	<u>15,405,633</u>	<u>16,754,730</u>	<u>13,042,352</u>	<u>13,685,888</u>
	<u>45,123,019</u>	<u>48,594,511</u>	<u>36,692,352</u>	<u>40,185,888</u>

(a) Deposits of the Group and of the Company have maturity dates ranging from 1 to 120 days (2025: 1 to 18 days) respectively.

12. CASH AND BANK BALANCES (continued)

(b) The currency exposure profile of cash and bank balances is as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Ringgit Malaysia	44,177,199	48,357,542	36,258,691	40,078,769
US Dollar	945,518	21	433,661	-
Singapore Dollar	-	236,544	-	107,119
Hong Kong Dollar	302	404	-	-
	<u>45,123,019</u>	<u>48,594,511</u>	<u>36,692,352</u>	<u>40,185,888</u>

(c) No expected credit loss is recognised arising from cash and bank balances as it is negligible.

(d) Information on financial risks of cash and bank balances are disclosed in Note 25 to the financial statements.

13. SHARE CAPITAL

	Group and Company			
	2026		2025	
	Number of shares	RM	Number of shares	RM
Issued and fully paid up ordinary shares with no par value				
Balance as at beginning/end of the financial year	<u>1,500,000</u>	<u>1,532,000</u>	<u>1,500,000</u>	<u>1,532,000</u>

The owners of the Company are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

14. RESERVES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Non-distributable:					
Exchange translation reserve	(a)	6,241,298	6,418,546	-	-
Distributable:					
Retained earnings		<u>35,605,034</u>	<u>34,922,800</u>	<u>36,845,887</u>	<u>36,427,568</u>
		<u>41,846,332</u>	<u>41,341,346</u>	<u>36,845,887</u>	<u>36,427,568</u>

(a) Exchange translation reserve

The exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the presentation currency of the Group. It is also used to record the exchange differences arising from monetary items which form part of the net investment of the Group in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

15. BORROWINGS

		Group	
	Note	2026 RM	2025 RM
Cumulative Redeemable Preference Shares ("CRPS"), at nominal value:			
- Class C		5	5
- Class D		-	5
- Class E		-	5
- Class F		5	5
- Class G	(b)	-	5
Redeemable Preference Shares ("RPS"), at nominal value:			
- Class I		5	5
- Class J		5	5
Translation adjustment		<u>(4)</u>	<u>-</u>
		<u>16</u>	<u>35</u>

- (a) CRPS and RPS of the Group were issued by BIB Asia, a subsidiary of the Company, in connection with its captive insurance business.
- (b) On 21 October 2025, BIB Asia redeemed Class G CRPS at a redemption price of USD1.00 from its sole shareholder, Courts (Malaysia) Sdn. Bhd., following the termination of the shareholder agreement dated 1 April 2009.
- (c) On 7 July 2025, BIB Asia redeemed Class D and Class E CRPS at a redemption price of USD1.00 each from its sole shareholder, IGB Corporation Berhad and Tan & Tan Development Berhad, following the termination of the shareholder agreement dated 8 January 2003 & 6 December 2000 respectively.

15. BORROWINGS (continued)

- (d) Classes C, D, E, F and G CRPS issued by BIB Asia to participants of certain “rent-a-captive” programmes have identical terms as follows:
 - (i) The CRPS entitle the holders to the right to receive dividend payment in arrears at a rate/amount to be determined by the Directors of BIB Asia and up to the balance amount in the respective Captive Insurance Funds after deducting/accounting for all liabilities and expenses after the close of the captive period.
 - (ii) The dividend payable on these CRPS shall be paid in priority to the dividends payable to the ordinary shares and other classes of CRPS of BIB Asia.
 - (iii) The CRPS entitle the holders to the right in the event of a winding-up of the subsidiary to repayment of capital and premium together with arrears (if any) of dividend in priority to the holders of ordinary shares and other classes of cumulative CRPS in the capital of BIB Asia to the extent standing to the credit of the respective Captive Insurance Funds.
 - (iv) These CRPS shall not confer upon the holders thereof the right to participate in the surplus assets or profits of BIB Asia.
 - (v) These CRPS shall not confer upon the holders thereof the right to receive notice of or to attend or to vote at any general meeting of BIB Asia save and except for those voting rights which are not capable of waiver under the law.
 - (vi) BIB Asia shall at any time and from time to time at its option redeem the whole or any part of these CRPS out of any monies which may lawfully be applied for the purpose by giving seven (7) clear days’ notice in writing to redeem.
 - (vii) Any of these holders shall at any time and from time to time at his option redeem the whole or any part of these CRPS held by giving fourteen (14) clear days’ notice in writing to redeem.
- (e) Classes I and J RPS (collectively referred to as “Preference Shares”) issued by BIB Asia to participants of certain “rent-a-captive” and have identical terms as follows:
 - (i) The issue price of each Preference Share is USD1.00.
 - (ii) All of the Preference Shares will rank regards to return of capital in priority to the ordinary shares of the subsidiary but pari passu among themselves.
 - (iii) Dividends
 - (a) Each Preference Shares will entitle the holder thereof to receive dividend payment at a rate/amount to be determined by the Directors of BIB Asia (“Preferential Dividend”) and on such date as may be determined by the Directors in their sole and absolute discretion, only out of the proceeds derived from or paid to BIB Asia arising from the captive insurer facility provided by BIB Asia to the holders of Preference Shares pursuant to the respective agreements after deducting/accounting for all liabilities and expenses of BIB Asia.

15. BORROWINGS (continued)

(f) (continued)

(iii) Dividends (continued)

- (b) As regards to ranking of the Preferential Dividend with the dividend that may be declared on the other classes of shares issued or to be issued by BIB Asia, the Preference Shares shall rank in priority to the other classes of shares issued or to be issued by BIB Asia only in respect of any proceeds derived from or paid to BIB Asia arising from the captive insurer facility provided by BIB Asia to the holders of Preference Shares pursuant to the respective agreements after deducting/accounting for all liabilities and expenses of BIB Asia.

- (iv) The Preference Shares shall not confer on the holders thereof the right to participate in the surplus assets or profits of BIB Asia.

(v) Redemption by BIB Asia

- (a) BIB Asia may, provided that it shall not have received the Holder's Redemption Notice (as defined below), at any time and from time to time at its option redeem the whole or any part of the Preference Shares at the Redemption Price (as defined below) by giving seven (7) business days' notice in writing to redeem ("Redemption Notice").
- (b) Any holders of Preference Shares may, provided that it shall not have received the Redemption Notice, at any time and from time to time at its option redeem the whole or any part of the Preference Shares it holds by giving fourteen (14) business days' notice in writing to redeem ("Holder's Redemption Notice").
- (c) Redemption Price shall be the issue price of the Preference Shares.

(vi) Voting

- (a) Except as provided below, holders of Preference Shares will not be entitled to attend and vote at general meetings of shareholders of BIB Asia. Holders of Preference Shares will be entitled to attend a class meeting of holders of Preference Shares and holders of Preference Shares will be entitled to vote as a single class at such meeting. Every holder of Preference Shares who is present in person at a class meeting of holders of Preference Shares will have one vote on a show of hands and on a poll every holder of Preference Shares who is present in person or by proxy will have one vote for every Preference Shares of which it is the holder.
- (b) The Preference Shares shall not confer on the holders thereof the right to receive notice of meetings, reports and balance sheets of BIB Asia or to attend and/or vote at any general meeting of BIB Asia except for those voting rights which are not capable of waiver under law.

- (vii) The Preference Shares once issued are not transferable.

15. BORROWINGS (continued)

(f) (continued)

(viii) Variations of Rights

- (a) Subject to the Malaysian law and notwithstanding any provisions that may be contained herein, the rights and privileges of the holders of the Preference Shares shall not altered except with the consent of all the holders of the Preference Shares.
- (b) Notwithstanding the foregoing, no vote of the holders of the Preference Shares will be required for the redemption of the Preference Shares in accordance with the Articles.
- (ix) No further shares shall be issued by BIB Asia ranking prior to or pari passu with the Preference Shares except with the consent of all the holders of the Preference Shares.

16. DEFERRED TAX LIABILITIES

The components and movements of deferred tax (liabilities)/assets during the financial year prior to offsetting are as follows:

		Group and Company		
	Note	Property, plant and equipment RM	Provisions RM	Total RM
Balance as at 1 July 2024		(89,647)	109,827	20,180
Recognised in profit or loss	21	106,140	(231,203)	(125,063)
Balance as at 30 June 2025/1 July 2025		16,493	(121,376)	(104,883)
Recognised in profit or loss	21	(147,298)	240,084	92,786
Balance as at 30 June 2026		(130,805)	118,708	(12,097)

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17. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Trade payables					
Third parties		23,755,870	16,141,296	22,298,747	13,995,486
Other payables					
Third parties		2,221,637	7,829,009	1,134,025	7,036,877
Amount owing to a subsidiary	(b)	-	-	195,479	-
Amount owing to segregated accounts for rent-a-captive insurance business	(c)	1,462,542	1,413,878	-	-
Accruals		1,715,878	1,427,978	1,621,514	1,317,701
		<u>5,400,057</u>	<u>10,670,865</u>	<u>2,951,018</u>	<u>8,354,578</u>
		<u>29,155,927</u>	<u>26,812,161</u>	<u>25,249,765</u>	<u>22,350,064</u>

- (a) The Group and the Company collect premium received from the insureds on insurance policies payable to insurance companies and the Group collect claims on insurance policies from the reinsurers on behalf of the insurance companies.
- (b) The amount owing to a subsidiary in other payables is non-trade in nature, unsecured, interest free and repayable within the next twelve (12) months.
- (c) Amount owing to segregated accounts for rent-a-captive insurance business represents funds attributable to participants of the rent-a-captive insurance programmes held by the Group in segregated captive insurance funds. The balances are unsecured, interest-free, repayable on demand and are expected to be settled in the ordinary course of business.
- (d) The currency exposure profile of trade and other payables is as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Ringgit Malaysia	26,753,619	24,497,520	25,249,765	22,350,064
US Dollar	2,392,008	2,246,028	-	-
Singapore Dollar	3,535	53,162	-	-
Hong Kong Dollar	-	14,748	-	-
Others	6,765	703	-	-
	<u>29,155,927</u>	<u>26,812,161</u>	<u>25,249,765</u>	<u>22,350,064</u>

- (e) Information on financial risks of trade and other payables is disclosed in Note 25 to the financial statements.
- (f) During the financial year, the amounts of trade payable written back of the Group and the Company recognised as other income amounted to RM352,203 (2025: Nil).
- (g) During the financial year, the amounts of other payable written back of the Group recognised as other income amounted to RM108,972 (2025: Nil).

18. REVENUE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Insurance brokerage	13,545,468	13,835,093	11,934,739	12,153,104
Advisory and consultancy fees	<u>170,171</u>	<u>209,812</u>	<u>154,885</u>	<u>204,907</u>
	<u><u>13,715,639</u></u>	<u><u>14,044,905</u></u>	<u><u>12,089,624</u></u>	<u><u>12,358,011</u></u>

Timing of revenue recognition

Transferred at a point in time

	<u><u>13,715,639</u></u>	<u><u>14,044,905</u></u>	<u><u>12,089,624</u></u>	<u><u>12,358,011</u></u>
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Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (a) the customer simultaneously receives and consumes the benefits provided as the Group performs;
- (b) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Revenue is measured at the fair value of consideration received or receivable. The following describes the performance obligations in contracts with customers:

- (a) Insurance brokerage

Revenue from insurance brokerage from direct business are recognised at point in time based on debit notes issued whereas commission and fee from reinsurance business are accounted at point in time when notified by the ceding companies.

- (b) Advisory and consultancy fees

Advisory and consultancy fees are recognised at a point in time when services have been rendered to the customer and coincides with the delivery of services and acceptance by customers.

19. EMPLOYEE BENEFITS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Salaries and other expenses	6,653,405	5,914,026	6,037,674	5,231,190
Contribution to defined contribution plan	862,284	768,766	770,736	665,809
	<u>7,515,689</u>	<u>6,682,792</u>	<u>6,808,410</u>	<u>5,896,999</u>

20. PROFIT BEFORE TAX

Other than those disclosed elsewhere in the financial statements, profit before tax is arrived at:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
After charging:				
Auditors' remuneration	100,000	100,000	54,000	54,000
Property, plant and equipment written off	-	1	-	1
Fair value loss on other investment	-	105,693	-	140,065
And crediting:				
Income from unit trust distribution*	227,902	232,650	227,902	232,650
Fair value gain on other investment*	(200,602)	-	(200,602)	-
Interest income*	<u>(1,070,950)</u>	<u>(1,146,934)</u>	<u>(934,560)</u>	<u>(971,916)</u>

*Amount included in other operating income

21. TAX EXPENSE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Current tax expense:				
- Based on profit for the financial year	738,564	964,505	730,946	917,679
- Under provision in prior years	136,980	14,516	136,980	14,516
	<u>875,544</u>	<u>979,021</u>	<u>867,926</u>	<u>932,195</u>

21. TAX EXPENSE (continued)

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Current tax expense		875,544	979,021	867,926	932,195
Deferred taxation:					
- Relating to origination and reversal of temporary differences		9,212	21,369	9,212	21,369
- (Over)/Under provision in prior years		(101,998)	103,694	(101,998)	103,694
	16	(92,786)	125,063	(92,786)	125,063
		<u>782,758</u>	<u>1,104,084</u>	<u>775,140</u>	<u>1,057,258</u>

- (a) Malaysian income tax is calculated at the statutory tax rate of 15% for the first RM150,000, 17% for the next RM450,000 and 24% there after on the chargeable income (2025: 15% for the first RM150,000, 17% for the next RM450,000 and 24% there after on the chargeable income).
- (b) Tax expense for other taxation authorities are calculated at the rates prevailing in the respective jurisdictions.
- (c) The numerical reconciliations between the applicable tax rate and the effective tax rate of the Group and of the Company are as follows:

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Profit before tax	<u>3,964,992</u>	<u>5,851,818</u>	<u>3,693,459</u>	<u>3,651,183</u>
Taxation at Malaysia statutory tax rate of 24% (2025: 24%)	951,598	1,404,436	886,430	876,284
Tax effects in respect of:				
Offshore tax incentive	(53,324)	(106,726)	-	-
Non-allowable expenses	220,909	293,107	225,135	293,107
Non-taxable income	(326,407)	(183,221)	(326,407)	(183,221)
Difference in tax rate for first RM600,000 of chargeable income	(45,000)	(421,722)	(45,000)	(47,122)
Under/(Over) provision in prior years:				
- income tax	136,980	14,516	136,980	14,516
- deferred tax	(101,998)	103,694	(101,998)	103,694
Total tax expense	<u>782,758</u>	<u>1,104,084</u>	<u>775,140</u>	<u>1,057,258</u>

22. DIVIDENDS

	Group and Company			
	2026		2025	
	Dividend per share Sen	Amount of dividend RM	Dividend per ordinary share Sen	Amount of dividend RM
First interim single tier dividend	67	1,000,000	67	1,000,000
Second interim single tier dividend	100	<u>1,500,000</u>	100	<u>1,500,000</u>
		<u>2,500,000</u>		<u>2,500,000</u>

The Directors do not recommend any final dividend to be paid for the financial year ended 30 June 2026.

23. RELATED PARTY DISCLOSURES

(a) Identities of related parties

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

The Company has controlling related party relationship with its subsidiaries.

(b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	Company	
	2026 RM	2025 RM
Lease income received from a subsidiary	<u>6,240</u>	<u>6,240</u>

(c) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any Director (whether executive or otherwise) of the Group and the Company.

The remuneration of Directors and key management personnel during the financial year was as follows:

	Group and Company	
	2026 RM	2025 RM
Directors' fees	213,082	130,000
Short-term employee benefits	766,793	735,000
Defined contribution plan	67,159	22,050
Others	<u>176,809</u>	<u>164,960</u>
	<u>1,223,843</u>	<u>1,052,010</u>

24. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the capital management of the Group is to ensure that entities of the Group would be able to continue as going concerns whilst maximising return to shareholders through the management of capital structure. The overall strategy of the Group remains unchanged from that in the previous financial year.

The Company is required to comply with the regulatory capital requirement imposed by Bank Negara Malaysia pursuant to the Financial Services Act, 2013 & Islamic Financial Services Act, 2013. Under this Act, the Company is required have minimum capital funds unimpaired by losses of RM1,000,000 at all times. The Company has a capital in excess of the minimum requirement.

Total capital considered by the Group and the Company is the total equity as shown in their statements of financial position.

The Group manages its capital structure and makes adjustments to it in response to changes in economic conditions. In order to maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 June 2026 and 30 June 2025.

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24. FINANCIAL INSTRUMENTS (continued)

(b) Categories of financial instruments

2026	[----- Group -----]			[----- Company -----]		
	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM
Financial assets						
Other investments	5,519,506	-	5,519,506	5,519,506	-	5,519,506
Finance lease receivables	-	-	-	7,454	7,454	-
Trade and other receivables, net of prepayments	22,664,269	22,664,269	-	21,057,807	21,057,807	-
Cash and bank balances	45,123,019	45,123,019	-	36,692,352	36,692,352	-
	<u>73,306,794</u>	<u>67,787,288</u>	<u>5,519,506</u>	<u>63,277,119</u>	<u>57,757,613</u>	<u>5,519,506</u>
Financial liabilities						
Borrowings	24	24	-	-	-	-
Trade and other payables	29,155,919	29,155,919	-	25,249,765	25,249,765	-
Dividend payable	1,500,000	1,500,000	-	1,500,000	1,500,000	-
	<u>30,655,943</u>	<u>30,655,943</u>	<u>-</u>	<u>26,749,765</u>	<u>26,749,765</u>	<u>-</u>

24. FINANCIAL INSTRUMENTS (continued)

(b) Categories of financial instruments (continued)

2025	[-----Group-----]			[-----Company-----]		
	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM
Financial assets						
Other investments	5,318,904	-	5,318,904	5,318,904	-	5,318,904
Finance lease receivables	-	-	-	12,972	12,972	-
Trade and other receivables, net of prepayments	16,651,421	16,651,421	-	14,521,745	14,521,745	-
Cash and bank balances	48,594,511	48,594,511	-	40,185,888	40,185,888	-
	<u>70,564,836</u>	<u>65,245,932</u>	<u>5,318,904</u>	<u>60,039,509</u>	<u>54,720,605</u>	<u>5,318,904</u>
Financial liabilities						
Borrowings	35	35	-	-	-	-
Trade and other payables	26,812,161	26,812,161	-	22,350,064	22,350,064	-
Dividend payable	1,500,000	1,500,000	-	1,500,000	1,500,000	-
	<u>28,312,196</u>	<u>28,312,196</u>	<u>-</u>	<u>23,850,064</u>	<u>23,850,064</u>	<u>-</u>

24. FINANCIAL INSTRUMENTS (continued)

(c) Fair value information

The fair values of financial assets and financial liabilities are determined as follows:

- (i) Financial instruments that are not carried at fair values and whose carrying amounts are reasonable approximation of fair values

The carrying amounts of cash and cash receivables, short term receivables and payables are reasonable approximation of fair values due to their short-term nature.

The carrying amounts of finance lease receivables and borrowings are reasonable approximation of fair value due to insignificant impact of discounting.

- (ii) Unit trust funds

The fair values of unit trust funds were determined by reference to the counterparties' quotes at the close of the business at the end of the reporting period.

The fair value of other investments which are carried at fair value through profit or loss are derived using Level 1 fair value hierarchy.

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2025: no transfer in either directions).

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The financial risk management objective of the Group is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

- (i) Credit risk

Credit risk is the risk of a financial loss to the Group and the Company if a customer or counter-party to a financial instrument fails to meet its contractual obligations. The Group's and the Company's exposure to credit risk arises principally from their receivables from customers.

Receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group and the Company do not require collateral in respect of financial assets.

As at the end of the reporting period, there were no significant concentrations of credit risk. The maximum exposure to credit risk for the Group and the Company is represented by the carrying amount of each financial asset.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(i) Credit risk (continued)

Receivables (continued)

Exposure to credit risk, credit quality and collateral

As at the end of the reporting date, the maximum exposure to credit risk arising from receivables are disclosed in Note 11(h) to the financial statements.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Company. The Group and the Company use ageing analysis to monitor the credit quality of the receivables.

Cash and bank balances

Risk management objectives, policies and processes for managing the risk

The Group's and Company's short-term deposits are placed as fixed rates investments and upon which management endeavours to obtain the best rates available in the market.

Cash and bank balances are placed with reputable financial institutions.

Exposure to credit risk and credit quality

As at the end of the reporting period, the maximum exposure to credit risk was represented by their carrying amounts in the statements of financial position.

(ii) Liquidity and cash flow risk

Liquidity risk is the risk that the Group and the Company will not be able to meet their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables.

The Group and the Company actively manage their operating cash flows and the availability of funding so as to ensure that all repayment and funding needs are met. As parts of their overall prudent liquidity management, the Group and the Company maintain sufficient levels of cash to meet their working capital requirements.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity and cash flow risk

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
2026				
Group				
Borrowings	16	-	-	16
Trade and other payables	29,155,927	-	-	29,155,927
Lease liabilities	539,152	15,955	-	555,107
Total undiscounted financial liabilities	29,695,095	15,955	-	29,711,050
Company				
Trade and other payables	25,249,765	-	-	25,249,765
Lease liabilities	444,974	4,680	-	449,654
Total undiscounted financial liabilities	25,694,739	4,680	-	25,699,419
2025				
Group				
Borrowings	35	-	-	35
Trade and other payables	26,812,161	-	-	26,812,161
Lease liabilities	373,192	585,695	26,801	985,688
Total undiscounted financial liabilities	27,185,388	585,695	26,801	27,797,884

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(ii) Liquidity and cash flow risk (continued)

Analysis of financial instruments by remaining contractual maturities (continued)

2025	On demand or within one year RM	One to five years RM	Over five years RM	Total RM
Company				
Trade and other payables	22,350,064	-	-	22,350,064
Lease liabilities	310,806	531,782	28,361	870,949
Total undiscounted financial liabilities	22,660,870	531,782	28,361	23,221,013

(iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the financial instruments of the Group and of the Company would fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk arises primarily from their fixed deposits with licensed banks, borrowings, and other investments.

The Group and the Company manage their interest rate exposure by placing only fixed rate deposits.

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25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

Exposure to interest rate risk

The following tables set out the carrying amounts, the weighted average effective interest rates ("WAEIR") as at the end of the reporting period and the remaining maturities of the Group's and Company's financial instruments that are exposed to interest rate risk:

2026	WAEIR %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	Total RM
Group					
<u>Fixed rates instruments</u>					
Deposits with licensed financial institutions	3.63	29,717,386	-	-	29,717,386
Lease liabilities	6.89	(516,544)	(15,860)	-	(532,404)
Company					
<u>Fixed rates instruments</u>					
Deposits with licensed financial institutions	3.66	23,650,000	-	-	23,650,000
Finance lease receivable	6.89	5,912	1,542	-	7,454
Lease liabilities	6.89	(426,521)	(4,627)	-	(431,148)
2025					
Group					
<u>Fixed rates instruments</u>					
Deposits with licensed financial institutions	3.67	31,839,781	-	-	31,839,781
Lease liabilities	6.89	(334,896)	(491,690)	(110,223)	(936,809)
Company					
<u>Fixed rate instruments</u>					
Deposits with licensed financial institutions	3.71	26,500,000	-	-	26,500,000
Finance lease receivables	6.89	5,518	7,454	-	12,972
Lease liabilities	6.89	(270,498)	(532,116)	(4,627)	(807,241)

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(iii) Interest rate risk (continued)

Sensitivity analysis for interest rate risk

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

(iv) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Sensitivity analysis for foreign currency risk

A 5% strengthening of the Ringgit Malaysia against the following currencies at the end of the reporting period would increase/(decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular, interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Group		Company	
	Increase/(Decrease)		Increase	
	in profit before tax		in profit before tax	
	2026	2025	2026	2025
	RM	RM	RM	RM
Singapore Dollar	4,717	2,421	-	-
US Dollar	37,855	(29,007)	21,683	5,356
Hong Kong Dollar	75	37,437	-	-
Others	593	1,087	-	-
	<u>43,240</u>	<u>11,938</u>	<u>21,683</u>	<u>5,356</u>

A weakening of 5% of the Ringgit Malaysia against the above currencies would have equal but opposite effect on profit before tax.

There is no impact to the equity as a result of changes of foreign exchanges rates as at the end of the reporting period.

(v) Market price risk

Market price risk arises from the Group's and Company's investment in unit trust.

Risk management objectives, policies and processes for managing securities

Management of the Group monitors the investments by engaging the services of an external fund manager.

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(v) Market price risk (continued)

Sensitivity analysis for market price risk

The analysis assumes that all other variables remain constant and the Company's and Group's unit trust investments moved in correlation with Bursa Malaysia Securities Berhad ("BMSB").

A 10% strengthening in BMSB at the end of the reporting period would increase profit before tax by the amounts shown below.

	Group and Company	
	Increase in	
	profit or loss	
	2026	2025
	RM	RM
Other investments	<u>253,897</u>	<u>244,670</u>

A 10% weakening in BMSB would have equal but opposite effect on profit before tax.

There is no impact to the equity as a result of changes in BMSB as at the end of the reporting period.

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