

Registration No: 199501013112 (342313-W)

RAMCO SYSTEMS SDN. BHD.

(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS

31 MARCH 2026

JAMAL, AMIN & PARTNERS

(No: AF 1067)

Chartered Accountants

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

REPORTS AND FINANCIAL STATEMENTS
31 MARCH 2026

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RAMCO SYSTEMS SDN. BHD.

(A private limited liability company, incorporated and domiciled in Malaysia)

CORPORATE INFORMATION

BOARD OF DIRECTORS

Pusapadi Ramasubramania Raja Venketrama Raja
Ravikula Chandran Ramamurthy
Huang Swee Lin
Awalludin Bin Nasir

SECRETARIES

Tai Yit Chan
Chan Yoke Peng

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13
46200 Petaling Jaya
Selangor Darul Ehsan, Malaysia

PRINCIPAL PLACE OF BUSINESS

3B-5-3 Block 3B Level 5
Plaza Sentral
Jalan Stesen Sentral 5
50470 Kuala Lumpur

AUDITORS

JAMAL, AMIN & PARTNERS

Chartered Accountants

No. 62-1, 1st Floor, Jalan 2/23A
Off Jalan Genting Klang
Taman Danau Kota, Setapak
53300 Kuala Lumpur

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Company for the year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The principal activities of the Company are to carry on the business of a computer software house and business pertaining to or connected with information technology and software. The Company obtained Multimedia Super Corridor ("MSC") status in 1997.

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

FINANCIAL RESULTS

	2026 RM
Profit for the Year	<u>1,500,351</u>

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend has been proposed or paid for the financial year.

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS

The Directors who served since the date of the last report and at the date of this report are as follows:

Pusapadi Ramasubramania Raja Venketrama Raja
Ravikula Chandran Ramamurthy
Huang Swee Lin
Awalludin Bin Nasir

DIRECTORS' INTERESTS

None of the directors holding office at the end of the financial year had any interest in shares in the Company during the financial year.

DIRECTORS' REMUNERATIONS

The details of Directors' remuneration are disclosed in Note 17 of the financial statements.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the year, for any person who is or has been the director, officer, or auditor of the Company.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the object or objects of enabling 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.

Since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of remuneration 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) 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.

OPTIONS

No option has been granted during the financial year ended covered by the income statements to take up unissued shares of the Company.

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Company were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off bad debts and the making of allowance for doubtful debts and satisfied themselves that adequate allowance had been made for doubtful debts and there were no bad debts to be written off; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render it necessary to write off any bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
 - (iii) not otherwise dealt with in this report or the financial statements of the Company which would render any amount stated in the financial statements misleading; or
 - (iv) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (c) At the date of this report, there does not exist:
- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liability of any other person; or
 - (ii) any contingent liability of the Company which has arisen since the end of the financial year.

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

OTHER STATUTORY INFORMATION

(d) In the opinion of the Directors:

- (i) no contingent liability 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 will or may affect the ability of the Company to meet its obligations as and when they fall due;
- (ii) the results of the operations of the Company during the financial year were not substantially affected by any item, transaction, or event of a material and unusual nature; and
- (iii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction, or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

ULTIMATE HOLDING COMPANY

The Company is a subsidiary of Ramco Systems Limited, of which is incorporated in India and regarded by the Directors as the Company's ultimate holding company, during financial year and until the date of this report.

AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors can be referred to Note 17.

RAMCO SYSTEMS SDN. BHD.

(Incorporated in Malaysia)

AUDITORS

The auditors, Messrs. Jamal, Amin & Partners have indicated their willingness to accept the re-appointment in accordance with the Companies Act, 2016.

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



PUSAPADI RAMASUBRAMANIA RAJA
VENKETRAMA RAJA



RAVIKULA CHANDRAN
RAMAMURTHY

Chennai

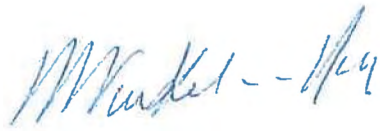
Dated: 29 APR 2026

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

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

We, PUSAPADI RAMASUBRAMANIA RAJA VENKETRAMA RAJA and RAVIKULA CHANDRAN RAMAMURTHY, being two of the Directors of RAMCO SYSTEMS SDN. BHD., do hereby state on behalf of the Directors that in our opinion, the 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 state of affairs of the Company as at 31 March 2026 and of the results and cash flows of the Company for the year then ended.

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



PUSAPADI RAMASUBRAMANIA RAJA
VENKETRAMA RAJA



RAVIKULA CHANDRAN
RAMAMURTHY

Chennai

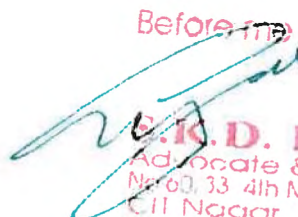
Dated: 29 APR 2026

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

I, PUSAPADI RAMASUBRAMANIA RAJA VENKETRAMA RAJA, being, the Director primarily responsible for the accounting records and financial management of RAMCO SYSTEMS SDN. BHD., do solemnly and sincerely declare that the financial statements 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 Notaries Act 1952.

Subscribed and solemnly declared by the above named }
PUSAPADI RAMASUBRAMANIA RAJA }
VENKETRAMA RAJA in Chennai on 29 APR 2026



Before me

S.K.D. BABU
Advocate & Notary
No. 60, 33/4th Main Road,
CIT Nagar,
Chennai - 600 035
Cell: 98417 86335



Registration No: 199501013112 (342313-W)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **RAMCO SYSTEMS SDN. BHD.**, which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a material of significant accounting policies, as set out on pages 11 to 51.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance and its cash flows for the financial 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 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' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the financial statements, which indicates that Company's current liabilities exceeded its current assets by RM31,407,360 and has a capital deficit of RM31,051,639. As stated in Note 2(a), these events, or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



Registration No: **199501013112 (342313-W)**

Cont'd

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements 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 Directors' Report, 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 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 Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing 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 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 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.



Registration No: **199501013112 (342313-W)**

Cont'd

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Registration No: 199501013112 (342313-W)
Cont'd

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RAMCO SYSTEMS SDN. BHD.
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Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

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 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.

Other Matters

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

JAMAL, AMIN & PARTNERS
(No: AF 1067)
Chartered Accountants

AHMAD HILMY BIN JOHARI
(No : 2977/03/2028(J))
Chartered Accountant

Kuala Lumpur

Dated: 29 April 2026

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	NOTE	2026 RM	2025 RM
NON-CURRENT ASSETS			
Property, Plant and Equipment	4	71,856	88,389
Right of Use Asset	5	82,765	330,047
Other Financial Assets	6	95,574	117,233
Tax Assets	7	221,545	255,301
Total Non-Current Assets		<u>471,740</u>	<u>790,970</u>
CURRENT ASSETS			
Trade Receivables	8	4,909,817	3,263,974
Other Financial Assets	6	149,328	190,057
Other Assets	9	623,274	1,003,852
Tax Assets	7	-	306,659
Cash and Cash Equivalents	10	570,973	583,978
Total Current Assets		<u>6,253,392</u>	<u>5,348,520</u>
TOTAL ASSETS		<u>6,725,132</u>	<u>6,139,490</u>
EQUITY			
Share Capital		1,280,000	1,280,000
Accumulated Loss		(32,331,639)	(33,831,990)
Total Equity		<u>(31,051,639)</u>	<u>(32,551,990)</u>
NON-CURRENT LIABILITIES			
Finance Lease Liabilities	11	-	90,290
Provisions	12	96,598	243,563
Other Liabilities	15	19,421	35,690
Total Non-Current Liabilities		<u>116,019</u>	<u>369,543</u>

(The accompanying notes form an integral part of the financial statements)

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026 (CONT'D)

	NOTE	2026 RM	2025 RM
CURRENT LIABILITIES			
Trade Payables	13	2,207,967	3,345,643
Finance Lease Liabilities	11	90,981	257,834
Borrowing	14	31,160,682	31,396,799
Provision	12	225,588	240,014
Other Liabilities	15	3,975,534	3,081,647
Total Current Liabilities		<u>37,660,752</u>	<u>38,321,937</u>
TOTAL LIABILITIES		<u>37,776,771</u>	<u>38,691,480</u>
TOTAL EQUITY AND LIABILITIES		<u>6,725,132</u>	<u>6,139,490</u>

(The accompanying notes form an integral part of the financial statements)

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2026

	NOTE	2026 RM	2025 RM
Revenue from Operation	16	17,110,730	13,606,590
Finance Income		2,385	21,095
Other Income		-	5,762
Total Revenue		17,113,115	13,633,447
Royalty		(2,442,951)	(2,098,438)
Software Service Expenses		(2,838,285)	(2,750,046)
Employee Benefit Expenses		(4,547,245)	(4,421,468)
Finance Cost		(1,596,773)	(1,466,094)
Depreciation and Amortization		(286,170)	(301,368)
Other Expenses		(3,901,340)	(3,738,154)
Total Expenses		(15,612,764)	(14,775,568)
Profit/(Loss) Before Taxation	18	1,500,351	(1,142,121)
Taxation	18	-	-
Profit/(Loss) After Taxation		1,500,351	(1,142,121)
Other Comprehensive Income		-	-
Profit/(Loss) for the Year, Representing Total Comprehensive Loss for the Financial Year		1,500,351	(1,142,121)

(The accompanying notes form an integral part of the financial statements)

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2026

	<u>Share Capital RM</u>	<u>Accumulated Loss RM</u>	<u>Total RM</u>
Balance as at 01/04/2024	1,280,000	(32,689,869)	(31,409,869)
Loss for the Year	-	(1,142,121)	(1,142,121)
Balance as at 31/03/2025	<u>1,280,000</u>	<u>(33,831,990)</u>	<u>(32,551,990)</u>
Profit for the Year	-	1,500,351	1,500,351
Balance as at 31/03/2026	<u>1,280,000</u>	<u>(32,331,639)</u>	<u>(31,051,639)</u>

(The accompanying notes form an integral part of the financial statements)

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026

	NOTE	2026 RM	2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before Taxation		1,500,351	(1,142,121)
Adjustments for:			
Bad debt written off			
- Trade Receivable		-	167,900
- Other Assets		-	236,273
Allowance for Impairment Losses			
- Trade Receivable		54,032	175,230
- Other Assets		327,505	132,830
- Other Financial Assets		62,388	-
Amortization – Right of use		247,282	247,281
Depreciation		38,888	54,086
Finance Cost		1,596,768	1,466,094
Reversal of Impairment		(512,425)	(1,039,357)
Unrealised Gain on Foreign Exchange		(57,101)	(354,011)
Operating Profit / (Loss) Before Working Capital Changes		3,257,688	(55,795)
 (Increase)/Decrease in Receivables		(1,187,450)	1,999,337
Decrease in Payables		(1,137,676)	(5,207,756)
(Decrease) / Increase in Provision		(161,391)	208,464
Increase in Other Liabilities		877,618	94,251
Increase in Amount Due to Holding Company		-	(7,714)
Decrease in Other Asset		53,073	59,931
Decrease in Other Financial Asset		-	390,364
Cash Used in Operating Activities		1,701,862	(2,518,918)
 Finance Paid		(1,577,912)	(1,425,185)
Taxation paid		340,415	(117,300)
Net Cash Used in Operating Activities		464,365	(4,061,403)
CASH FLOWS FROM INVESTING ACTIVITY			
Purchase of Property, Plant and Equipment		(22,355)	-
Net Cash Used in Investing Activity		(22,355)	-

(The accompanying notes form an integral part of the financial statements)

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2026 (CONT'D)

	NOTE	2026 RM	2025 RM
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds From Inter-company loans		(179,016)	4,148,011
Repayment of lease		(275,999)	(275,999)
Net Cash Generated from Financing Activities		(455,015)	3,872,012
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS			
		(13,005)	(189,391)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD		583,978	773,369
CASH AND CASH EQUIVALENTS CARRIED FORWARD	10	570,973	583,978
CASH AND CASH EQUIVALENTS COMPRISE:			
Cash in hand	10	7,240	10,787
Cash at bank	10	563,733	573,191
		570,973	583,978

(The accompanying notes form an integral part of the financial statements)

RAMCO SYSTEMS SDN. BHD.
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 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 12th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

The principal place of business is located at 3B-5-3 Block 3B, Level 5 Plaza Sentral, Jalan Stesen Sentral 5, 50470 Kuala Lumpur.

The principal activity of the Company is to carry on the business of a computer software house and business pertaining to or connected with and involving information technology and software. The Company obtained Multimedia Super Corridor (“MSC”) status in 1997. There has been no significant change in the nature of this principal activity during the financial year.

The Company is a subsidiary of Ramco Systems Limited, of which is incorporated in India and regarded by the Directors as the Company’s ultimate holding company, during the financial year and until the date of this report.

NOTE 2: BASIS OF PREPARATION

(a) Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards (“MFRSs”) and the requirements of the Companies Act 2016 in Malaysia. The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and the liquidation of liabilities in the normal course of business. As at 31 March 2026, the company has net current liabilities of RM31,407,360 (2025: RM32,973,417) and shareholders' deficit of RM31,051,639 (2025: RM31,551,990). The company has obtained an undertaking from its holding Company to provide continued financial support to the company to enable it to meet its obligations and liabilities as and when they fall due.

RAMCO SYSTEMS SDN. BHD.
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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 2: BASIS OF PREPARATION (CONT'D)

(a) Statement of Compliance (Cont'd)

Adoption of new and amended standards

During the financial year, the Company has adopted the following amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

		<u>Effective dates for financial periods beginning on or after</u>
MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	01 January 2026
MFRS 7	Financial Instruments: Disclosures	01 January 2026
MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments	01 January 2026
MFRS 9	Financial Instruments	01 January 2026
MFRS 10	Consolidated Financial Statements	01 January 2026
MFRS 107	Statement of Cash Flows	01 January 2026

The adoption of the above MFRS and Amendments to MFRSs did not have any material impacts to the financial statements of the Company.

Standards issued but not yet effective

The Company has not applied the following new MFRSs, new interpretation and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Company:

		<u>Effective dates for financial periods beginning on or after</u>
MFRS 18	Presentation and Disclosure in Financial Statements	01 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	01 January 2027

RAMCO SYSTEMS SDN. BHD.
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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 2: BASIS OF PREPARATION (CONT'D)

(a) Statement of Compliance (Cont'd)

Standards issued but not yet effective (Cont'd)

The Company intends to adopt the above MFRSs when they become effective.

The initial application of the accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Company.

(b) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES

All significant accounting policies set out below are consistent with those applied in the previous financial year unless otherwise stated.

(a) Property, Plant and Equipment

Property, plant, and equipment's are stated at cost less accumulated depreciation and subsequent accumulated impairment losses.

Other property, plant and equipment's are depreciated on a straight-line basis to write off the cost of the assets to their residual values over their estimated useful lives, recognised as follows:

	(%)
Computer Equipment	20
Furniture and Fittings	20
Office Equipment	20

Gain and losses on disposals are determined by comparing proceeds with the carrying amount and are included in income statement.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Lease

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Lease (Cont'd)

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability for each accounting period. Finance charges are charged to profit or loss.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on the straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on the straight-line basis.

Assets leased out under operating leases are presented on the statement of financial position according to the nature of the assets. Rental income from operating leases is recognised on the straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on the straight-line basis over the lease term.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) **Cash and Cash Equivalents**

Cash comprises cash in hand and bank balances.

(d) **Financial Instruments**

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the instrument.

Financial assets

Recognition and Initial Measurement

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial instrument categories and subsequent measurement

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(i) **Amortised cost (“AC”)**

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) **Financial Instruments (Cont'd)**

Financial assets (Cont'd)

Financial instrument categories and subsequent measurement (Cont'd)

(ii) Fair value through other comprehensive income ("FVOCI")

Debt Investments

Fair value through other comprehensive income category comprises debt investment where it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the debt investment, and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The debt investment is not designated as at fair value through profit or loss. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets where the effective interest rate is applied to the amortised cost.

(iii) Fair Value Through Profit or Loss ("FVPL")

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

Financial liabilities

The categories of financial liabilities at initial recognition are as follows:

(i) Fair Value Through Profit or Loss ("FVPL")

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration is a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

On initial recognition, the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

- a) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

a group of financial liabilities or assets and financial liabilities is managed, and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Company's key management personnel; or

- b) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where embedded derivative significantly modifies the cash flows and separation is not prohibited.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial Instruments (Cont'd)

Financial liabilities (Cont'd)

(i) Fair Value Through Profit or Loss ("FVPL")

Financial liabilities categorised as fair value through profit or loss are subsequently measured at the fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

(ii) Amortised Cost ("AC")

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are recognised in the profit or loss.

(e) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(f) Impairment of assets

Non-financial assets

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Impairment of assets (Cont'd)

Non-financial assets (Cont'd)

The carrying amounts of non-financial assets (except for inventories, amount due from contract customers and deferred tax assets) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives, or that are not yet available for use, the recoverable amount is estimated each period at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs of disposal. 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 or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or cash generating unit exceeds its estimated recoverable amount. Impairment loss is recognised in profit or loss, unless the asset is carried at a revalued amount, in which such impairment loss is recognised directly against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same asset. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for asset in prior years. Such reversal is recognised in the profit or loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

Financial assets

The Company recognise loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost, debt investments measure at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability – weighted estimate of credit loss.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) **Impairment of assets (Cont'd)**

Financial assets (Cont'd)

The Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

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

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

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

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

An impairment loss in respect of debt instruments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credited-impaired. A financial asset is credit impaired when one or more event that have detrimental impacts on the estimated future cash flows of the financial asset have occurred.

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

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(g) **Provisions for Liabilities**

Provisions for liabilities are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and when a reliable estimate of the amount can be made.

Provisions are reviewed at the end of the reporting year and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(h) **Borrowing Cost**

All borrowing costs are recognised as an expense in profit or loss in the period in which they are incurred.

(i) **Equity Instruments**

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

Ordinary shares

Ordinary shares are classified as equity.

(j) **Revenue and other income**

(i) **License fees**

License fees revenue is recognized on delivery of the software.

(ii) **Implementation fee**

Implementation contracts are either milestones based, or time and material based:

- a) In the case of milestones contract, revenue is recognized based on effort spent and upon achievement of the milestones as per the terms of the contract.
- b) In the case of time and material contracts, revenue is recognized based on billable time spent on the project, priced at the contractual rate.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Revenue and other income (Cont'd)

(iii) Services

Revenue from fixed price contracts is recognized on milestones achieved as per the terms of the specific contract and based on efforts spent.

(iv) Annual maintenance contract

Revenue from maintenance services is recognised on a straight-line basis over the period of the contract.

(v) Hardware sales

Revenue from sales of hardware is recognized based on the consideration received or receivable and is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.

(vi) Enablement fees, application installation and expenses reimbursement

Revenue from enablement fees, application installation and expenses reimbursement are recognized as and when services are rendered.

(vii) Interest income

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

(k) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses, and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by 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.

(i) Defined Contribution Plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF").

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) **Income Tax Expense**

Income taxes for the year comprise current and deferred taxes.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the end of the reporting year.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that arise from goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting year.

Deferred tax is recognised in profit or loss, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the business combination costs. The carrying amounts of deferred tax assets are reviewed at each end of the reporting year 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 deferred tax assets to be utilised.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 3: MATERIAL OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Company. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required, or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

(n) Foreign Currency Transaction

Foreign currency transactions in the Company are accounted for at exchange rates prevailing at the transaction dates, unless hedged by forward foreign exchange contracts, in which case the rates specified in such forward contracts are used.

Exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in the income statement.

(o) Use of Estimates and Judgements

The preparation of the financial statements in conformity with MFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognized in the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 4: PROPERTY, PLANT AND EQUIPMENTS

2026

COST	Balance at 01/04/2025 RM	Additions RM	Disposal RM	Balance at 31/03/2026 RM
Computer Equipment	722,507	21,866	-	744,373
Furniture and Fittings	432,738	-	-	432,738
Office Equipment	365,856	489	-	366,345
	<u>1,521,101</u>	<u>22,355</u>	<u>-</u>	<u>1,543,456</u>

**ACCUMULATED
DEPRECIATION**

Computer Equipment	653,348	31,824	-	685,172
Furniture and Fittings	432,738	-	-	432,738
Office Equipment	346,626	7,064	-	353,690
	<u>1,432,712</u>	<u>38,888</u>	<u>-</u>	<u>1,471,600</u>

2025

COST	Balance at 01/04/2024 RM	Additions RM	Disposal RM	Balance at 31/03/2025 RM
Computer Equipment	722,507	-	-	722,507
Furniture and Fittings	432,738	-	-	432,738
Office Equipment	365,856	-	-	365,856
	<u>1,521,101</u>	<u>-</u>	<u>-</u>	<u>1,521,101</u>

**ACCUMULATED
DEPRECIATION**

Computer Equipment	613,916	39,432	-	653,348
Furniture and Fittings	432,738	-	-	432,738
Office Equipment	331,972	14,654	-	346,626
	<u>1,378,626</u>	<u>54,086</u>	<u>-</u>	<u>1,432,712</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 4: PROPERTY, PLANT AND EQUIPMENTS (CONT'D)

NET BOOK VALUE

	Net Book Value 31/03/2026 RM	Net Book Value 31/03/2025 RM
Computer Equipment	59,201	69,159
Furniture and Fittings	-	-
Office Equipment	12,655	19,300
	<u>71,856</u>	<u>88,389</u>

NOTE 5: RIGHT-OF-USE ASSET

The Company lease office premises in the normal course of business. These leases typically run for an initial period of one to three years. Some property lease contains extension options after the contract period and only limited number of leases comprise variable payments.

Information about lease for which the Company is a lease presented below. Comparative information has not been provided.

	31/03/2026 RM	31/03/2025 RM
Right of use – asset recognised	<u>82,765</u>	<u>330,047</u>
Cost		
As at 1 April 2025/2024	638,811	638,811
Additional during the year	-	-
Reversal during the year	-	-
As at 31 March 2026/2025	<u>638,811</u>	<u>638,811</u>
Accumulated Depreciation		
As at 1 April 2025/2024	(308,764)	(61,483)
Depreciation during the year	(247,282)	(247,281)
Reversal during the year	-	-
As at 31 March 2026/2025	<u>(556,046)</u>	<u>(308,764)</u>
Net Book Value	<u>82,765</u>	<u>330,047</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 6: OTHER FINANCIAL ASSETS

	2026 RM	2025 RM
Non-current	95,574	117,233
Current	149,328	190,057
	<u>244,902</u>	<u>307,290</u>
Non-current asset		
Employee advance salary	-	21,659
Domestic creditor and deposit	95,574	95,574
Unbilled revenue	551,189	597,251
Less: Allowance for impairment losses	(551,189)	(597,251)
Bad debt written off from previous year	-	-
	<u>95,574</u>	<u>117,233</u>
<u>Current Assets</u>		
Employee advance salary	67,497	115,911
Fixed Deposit	67,582	65,196
Domestic creditor deposit	14,250	8,950
Unbilled revenue	46,063	46,063
Less: Allowance for impairment losses	(46,063)	(46,063)
	<u>149,329</u>	<u>190,057</u>
	<u>244,903</u>	<u>307,290</u>

The Company unbilled revenue is Nil (2025: NIL). The expected credit loss and impairment loss has been provided as each reporting date amounted to RM597,252 (2025: RM643,314) and Nil (2025: Nil) respectively.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 6: OTHER FINANCIAL ASSETS (CONT'D)

Impairment of financial assets

Movements of the allowance for impairment loss during the financial year are as follow:

	2026 RM	2025 RM
Allowance for impairment losses:		
At 1 April	643,314	1,003,706
Addition during the financial year	-	-
Reversal/Written off during the year	(46,062)	(360,392)
Exchange differences	-	-
At 31 March	<u>597,252</u>	<u>643,314</u>

NOTE 7: TAX ASSET

	2026 RM	2025 RM
Non-current	221,545	255,301
Current	-	306,659
	<u>221,545</u>	<u>561,960</u>
<u>Non-current asset</u>		
Advance Tax	221,545	255,301
	<u>221,545</u>	<u>255,301</u>
<u>Current asset</u>		
Advance Tax	-	306,659
	<u>-</u>	<u>306,659</u>

NOTE 8: TRADE RECEIVABLES

	Note	2026 RM	2025 RM
Trade Receivables		4,869,352	4,106,208
Less: Allowance for impairment losses		(1,099,876)	(1,558,268)
Bad debt written off		-	(167,900)
		<u>3,769,476</u>	<u>2,380,040</u>
Amount Due from Holding Company	a	-	-
Amount Due from Related Companies	b	1,140,341	883,934
		<u>4,909,817</u>	<u>3,263,974</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 8: TRADE RECEIVABLES (CONT'D)

Impairment of trade receivables

Movements of the allowance for impairment loss during the financial year are as follow:

	2026 RM	2025 RM
Allowance for impairment losses:		
At 31March/1 April	1,558,268	1,561,012
Addition during the financial year	54,032	175,230
Reversal/Written off during the year	(512,425)	(177,974)
At 31 March	<u>1,099,875</u>	<u>1,558,268</u>
Bad debt written off:		
Addition during the financial year	-	167,900
Reversal during the financial year	-	-
At 31 March	<u>-</u>	<u>167,900</u>

Note a:

The trade amount due from holding company is unsecured and repayable as per agreed term.

Ageing analysis of trade receivables

The ageing analysis of the Company's trade receivables is as follows:

2026	Gross carrying amount RM	Individual impairment RM	Collective impairment RM	Net Balance RM
Current (not past due)	3,141,679			3,141,679
1-30 days past due	995,723	-	-	995,723
31-60 days past due	117,852	-	-	117,852
61-90 days past due	72,252	-	-	72,252
More than 91 days past due	1,682,186	(54,032)	(1,099,875)	582,311
	<u>6,009,692</u>	<u>(54,032)</u>	<u>(1,099,875)</u>	<u>4,909,817</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 8: TRADE RECEIVABLES (CONT'D)

Ageing analysis of trade receivables (Cont'd)

2025	Gross carrying amount RM	Individual impairment RM	Collective impairment RM	Net Balance RM
Current (not past due)	2,375,264			2,375,264
1-30 days past due	119,937	-	-	119,937
31-60 days past due	303,070	-	-	303,070
61-90 days past due	5,921	-	-	5,921
More than 91 days past due	2,018,050	(175,230)	(1,558,268)	459,782
	<u>4,822,242</u>	<u>(175,230)</u>	<u>(1,558,268)</u>	<u>3,263,974</u>

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Company.

None of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Receivables that are past due but not impaired

The Company have trade receivables amounting to RM4,327,506 (2025: RM2,804,192) respectively that are not due and past due (0-90days) at the reporting date but not impaired. These receivables are unsecured.

The management of the Company believes that no impairment allowance is necessary in respect of these trade receivables. They are substantially companies with good collection track record and no recent history of default.

Receivables that are impaired

The Company have trade receivables amounting to RM582,311 (2025: RM459,782) respectively that are past due and have been impaired.

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NOTE 9: OTHER ASSETS

	2026 RM	2025 RM
Prepayment / Advances	31,142	172,997
Unbilled revenue	1,694,145	1,841,636
Less: Allowance for impairment losses	(1,102,013)	(774,508)
Bad debt written off	-	(236,273)
	<u>592,132</u>	<u>830,855</u>
	<u>623,274</u>	<u>1,003,852</u>

The Company has unbilled revenue amounting to RM592,132 (2025:RM830,855) respectively that are not yet invoice to customer at the reporting date. The expected credit loss has been provided as each reporting date amounted to RM1,102,013 (2025: RM774,508).

Impairment of other assets

Movements of the allowance for impairment loss during the financial year are as follow:

	2026 RM	2025 RM
Allowance for impairment losses:		
At 31 March/1 April	774,508	1,142,668
Addition during the financial year	327,505	132,830
Reversal/Written off during the year	-	(500,990)
Exchange differences	-	-
At 31 March	<u>1,102,013</u>	<u>774,508</u>
Bad debt written off:		
At 31 March/1 April	-	-
Addition during the financial year	-	236,273
Reversal during the financial year	-	-
At 31 March	<u>-</u>	<u>236,273</u>

NOTE 10: CASH AND CASH EQUIVALENTS

	2026 RM	2025 RM
Cash in Hand	7,240	10,787
Cash at Bank	563,733	573,191
	<u>570,973</u>	<u>583,978</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 11: FINANCE LEASE LIABILITIES

	2026 RM	2025 RM
Lease commitments		
Non – Current liabilities	-	90,290
Current liabilities	90,981	257,834
	<u>90,981</u>	<u>348,124</u>

When measuring the lease liability for leases that was previously classified as operating lease the company discounted lease payments using an estimated incremental borrowing rate of 9.00 %.

Contractual maturity of lease commitments:

	2026 RM	2025 RM
Undiscounted lease		
Within 1 year	92,000	276,000
Between 1 year and less than 2 years	-	92,000
More than 2 years	-	-
Total Undiscounted lease	<u>92,000</u>	<u>368,000</u>

NOTE 12: PROVISION

	2026 RM	2025 RM
Non-current	96,598	243,563
Current	225,588	240,014
	<u>322,186</u>	<u>483,577</u>
<u>Non-current liability</u>		
Special PL provision	1,923	1,923
PL encashment provision	94,675	103,010
Superannuation provision	-	34,474
Gratuity provision	-	104,156
	<u>96,598</u>	<u>243,563</u>
<u>Current liability</u>		
PL encashment provision	10,116	15,059
Customer contract obligations	215,472	224,955
	<u>225,588</u>	<u>240,014</u>

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NOTE 13: TRADE PAYABLES

	2026 RM	2025 RM
Non-current		-
Current	2,207,967	3,345,643
	<u>2,207,967</u>	<u>3,345,643</u>
Non-current		
Other Payables	-	-
	<u>-</u>	<u>-</u>
Current		
Trade Payables	379,581	552,538
Amount Due to Holding Company	1,364,516	2,484,425
Amount Due to a Related Company	463,870	308,680
	<u>2,207,967</u>	<u>3,345,643</u>

NOTE 14: BORROWINGS

	Note	2026 RM	2025 RM
Current		31,160,682	31,396,799
		<u>31,160,682</u>	<u>31,396,799</u>
Loan from Ramco Systems Limited, Switzerland	a	8,808,223	7,164,340
Loan from Ramco Systems Corporation, USA	a	22,352,459	24,232,459
		<u>31,160,682</u>	<u>31,396,799</u>

Note a

The non-trade amount due to related company is unsecured, subject to interest rate of 5% (2025:5%) per annum and repayable on demand.

Trade payables are non-interest bearing and the normal trade credit terms granted to the Company ranged from 30 to 270 days (2025: 30 to 270 days).

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 15: OTHER LIABILITIES

	2026	2025
	RM	RM
Non-current		
Unearned revenue	19,421	35,690
	<u>19,421</u>	<u>35,690</u>
Current		
Other liabilities	965,521	807,206
Unearned revenue	3,010,013	2,274,441
	<u>3,975,534</u>	<u>3,081,647</u>

Unearned revenue pertains to companies' obligation to transfer software product or services (AMC) to a customer for which the entity has received consideration or amount is due from customer.

NOTE 16: REVENUE FROM OPERATION

	2026	2025
	RM	RM
License fees	14,186	103,666
Services	6,564,910	6,580,738
AMC /Subscription/ Hosting	8,533,140	5,364,674
Hardware sales	-	-
F&F Processing	1,998,494	1,557,512
	<u>17,110,730</u>	<u>13,606,590</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 17: LOSS BEFORE TAXATION

The following amounts have been charged/ (credited) in arriving at loss before taxation:

	2026 RM	2025 RM
Auditors' remuneration	33,000	33,000
Allowances for Impairment Losses:		
- Other financial assets (Note 6)	-	-
- Reversal other financial assets (Note 6)	(46,062)	(360,392)
- Trade receivables (Note 8)	54,032	175,230
- Reversal trade receivables (Note 8)	(512,425)	(177,974)
- Other assets (Note 9)	327,505	132,830
- Reversal other assets (Note 9)	-	(500,990)
Bad debt written off:		
- Trade receivables (Note 8)	-	40,777
Depreciation – plant, property, and equipment	38,888	54,086
Depreciation – right of use	247,282	247,282
Finance costs	1,596,773	1,466,094
Finance income	(2,385)	(21,095)
Other income	-	(5,762)
Royalty	2,442,951	2,098,438
Realised loss on foreign exchange	192,393	154,547
Unrealised gain on foreign exchange	(57,101)	(354,011)

Including in profit or loss before tax are the non-executive directors' remuneration:

	2026 RM	2025 RM
<u>Non-executive Directors' remuneration</u>		
- other emoluments	<u>16,000</u>	<u>16,000</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 18: TAXATION

	2026 RM	2025 RM
Income Tax Expenses		
- Current Year	-	-
<u>Tax Reconciliation</u>		
The tax on the Company's loss before tax differs from the theoretical amount that would arise using statutory tax rate of Malaysia as follows:		
	2026 RM	2025 RM
Profit/(Loss) before Taxation	1,500,351	(1,142,121)
Tax Calculated at a Tax Rate of 24% (2025:24%)	360,084	(274,109)
Expenses not Deductible for Tax Purposes	976,273	274,109
Utilised Unabsorbed Business Losses	(1,336,357)	-
Tax Charge	-	-

NOTE 19: SIGNIFICANT RELATED COMPANY TRANSACTIONS

The significant related party transactions of the Company are as follows:

	2026 RM	2025 RM
Holding company		
Purchases		
Salary	64,158	118,594
Travel	305,160	394,232
Expenses	663,335	442,051
Services	2,838,285	2,750,046
Royalty	2,442,951	2,098,438
Sales		
Salaries recovered	-	-
Travel / Expenses recovery	-	-
Finance cost	-	-

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 19: SIGNIFICANT RELATED COMPANY TRANSACTIONS (CONT'D)

The significant related party transactions of the Company are as follows (Cont'd):

	2026	2025
	RM	RM
Related companies		
Purchases		
Expenses	1,911,897	799,801
Sales		
Salary recovered	1,023,345	(264,170)
Expenses recovered	22,248	
Travel recovered	(18,350)	(40,500)
Finance costs	1,577,917	1,425,185
Net loan paid from	<u>(31,160,682)</u>	<u>(31,396,799)</u>

NOTE 20: FINANCIAL INSTRUMENTS

a) Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies in Note 3 describe how the classes of financial instruments, are measured and how income and expense, including fair value gains and losses, are recognised.

The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instruments to which they are assigned and therefore by the measurement basis:

	Fair value through profit or loss RM	Fair value through other comprehensive income RM	At amortised cost RM	Total carrying amount RM
31/3/2026				
Financial assets				
Trade receivables	-	-	4,909,817	4,909,817
Other financial asset	-	-	244,902	244,902
Other asset	-	-	623,274	623,274
Cash and cash equivalents	-	-	570,973	570,973
	<u>-</u>	<u>-</u>	<u>6,348,966</u>	<u>6,348,966</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 20: FINANCIAL INSTRUMENTS (CONT'D)

a) Classification of financial instruments (Cont'd)

	Fair value through profit or loss RM	Fair value through other comprehensive income RM	At amortised cost RM	Total carrying amount RM
31/3/2026				
Financial liabilities				
Trade payables	-	-	2,207,967	2,207,967
Lease Liabilities	-	-	90,981	90,981
Other Liabilities	-	-	3,994,955	3,994,955
Borrowing	-	-	31,160,682	31,160,682
	<u>-</u>	<u>-</u>	<u>37,454,585</u>	<u>37,454,585</u>
	Fair value through profit or loss RM	Fair value through other comprehensive income RM	At amortised cost RM	Total carrying amount RM
31/3/2025				
Financial assets				
Trade receivables	-	-	3,263,974	3,263,974
Other financial asset	-	-	307,290	307,290
Other asset	-	-	1,003,852	1,003,852
Cash and cash equivalents	-	-	583,978	583,978
	<u>-</u>	<u>-</u>	<u>5,159,094</u>	<u>5,159,094</u>
	Fair value through profit or loss RM	Fair value through other comprehensive income RM	At amortised cost RM	Total carrying amount RM
31/3/2025				
Financial liabilities				
Trade payables	-	-	3,345,643	3,345,643
Lease Liabilities	-	-	348,124	348,124
Other Liabilities	-	-	3,117,337	3,117,337
Borrowing	-	-	31,396,799	31,396,799
	<u>-</u>	<u>-</u>	<u>38,207,903</u>	<u>38,207,903</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its risks. The following policies are implemented to provide effective ways to reduce the financial risks of the Company. The risks faced are mainly liquidity risk, credit risk and interest rate risk.

a) Liquidity Risk

The Company ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

b) Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Company. The Company has adopted the policy of only dealing with credit worthy counterparty and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial losses from defaults. Trade receivables are monitored on an on-going basis via Company management reporting procedures.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

c) Credit risk concentration profile

The Company approximately 73% (2025: 80%) outstanding trade receivables as at 31 March 2026 due from 10 major debtors.

d) Trade receivables that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 8 to the financial statements.

e) Trade receivables that are past due but not impaired and past due and impaired

Information regarding financial assets that are past due but not impaired and past due and impaired are disclosed in Note 8 to the financial statements.

f) Interest Rate Risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposures arise from the Company's borrowings and is managed through the use of fixed rate debts.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

g) Foreign Exchange Risk

Foreign exchange risk arose predominantly from payment to the related company transacted in United States Dollar, SGD, AED, PHP and CHF and trade payables to suppliers in United States Dollar.

h) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Company maintain sufficient levels of cash and deposits at bank to meet their working capital requirements.

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

h) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

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

	Carrying amount RM	Contractual undiscounted cash flows RM	On demand or within 1 year RM	1 to 5 years RM	More than 5 years RM
31/3/2026					
Financial liabilities:					
Trade payables	2,207,967	2,207,967	2,207,967	-	-
Finance Lease Liabilities	90,981	92,000	92,000	-	-
Borrowing	31,160,682	31,160,682	31,160,682	-	-
Provision	322,186	322,186	225,588	96,598	-
Other Liabilities	3,994,955	3,994,955	3,975,534	19,421	-
	<u>37,776,771</u>	<u>37,777,790</u>	<u>37,661,771</u>	<u>116,019</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

h) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

	Carrying amount RM	Contractual undiscounted cash flows RM	On demand or within 1 year RM	1 to 5 years RM	More than 5 years RM
31/3/2025					
Financial liabilities:					
Trade payables	3,345,643	3,345,643	3,345,643	-	-
Finance Lease Liabilities	348,124	368,000	276,000	92,000	-
Borrowing	31,396,799	31,396,799	31,396,799	-	-
Provision	483,577	483,577	240,014	243,564	-
Other Liabilities	3,117,337	3,117,337	3,081,647	35,690	-
	<u>38,691,480</u>	<u>38,711,356</u>	<u>38,340,103</u>	<u>371,254</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 21: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

h) Liquidity risk (Cont'd)

At the reporting date, carrying amount of financial guarantee is zero as the counterparty to the financial guarantees does not have a right to demand cash since the default has not occurred.

i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is minimised, as the Company do not have any significant loans and borrowings, other than loan from related parties.

The investment in financial assets is mainly short term in nature and they are not held for speculative purposes but have been mostly placed in fixed deposits which yield better returns than cash at bank. As such, no sensitivity analysis of interest risk has been disclosed in the financial statements.

j) 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.

31/03/2026 Denominated in MYR					
Financial Instrument	USD	CHF	SGD	AUD, HKD, PHP, AED and Others	Total
Cash and Cash Equivalents	84,962	-	-	-	84,962
Trade Receivables	249,909	-	-	-	249,909
Trade Payables	77,638	-	231,144	155,089	463,871
Borrowing	-	8,808,223	-	-	8,808,223
	<u>412,509</u>	<u>8,808,223</u>	<u>231,144</u>	<u>155,089</u>	<u>9,606,965</u>
Net exposure	<u>412,509</u>	<u>8,808,223</u>	<u>231,144</u>	<u>155,089</u>	<u>9,606,965</u>

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NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2026

NOTE 22: AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the year ended 31 March 2026 were authorized for issue in accordance with a resolution of the Directors on 29 April 2026.