

IRIS CORPORATION BERHAD

Reg No. 199401016552 (302232 - X)
(Incorporated in Malaysia)

Interim Financial Report for the First Quarter Ended 30th June 2024

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Condensed Consolidated Statement of Comprehensive IncomeFor the First Quarter Ended 30th June 2024

	Individual		Cumulative	
	3 months ended	3 months ended	3 months ended	3 months ended
	30th	30th	30th	30th
	June	June	June	June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	81,587	127,483	81,587	127,483
Cost of sales	(59,001)	(103,692)	(59,001)	(103,692)
Depreciation and amortisation	(363)	(1,161)	(363)	(1,161)
Gross profit	22,223	22,630	22,223	22,630
Other income (<i>Note 28</i>)	8,119	845	8,119	845
Administrative, operating and other expenses	(13,503)	(10,294)	(13,503)	(10,294)
Depreciation and amortisation	(731)	(775)	(731)	(775)
Finance costs	(78)	(160)	(78)	(160)
Share of results of associates, net of tax	11	(13)	11	(13)
Share of results of a joint venture, net of tax	(146)	-	(146)	-
Profit before taxation	15,895	12,233	15,895	12,233
Income tax expenses	(3,101)	(2,522)	(3,101)	(2,522)
Profit for the period	12,794	9,711	12,794	9,711
Other comprehensive income, net of tax				
Foreign currency translation for foreign operations	167	33	167	33
	167	33	167	33
Total comprehensive income for the period	12,961	9,744	12,961	9,744

Condensed Consolidated Statement of Comprehensive IncomeFor the First Quarter Ended 30th June 2024

(continued)

	Individual		Cumulative	
	3 months ended		3 months ended	
	30th	30th	30th	30th
	June	June	June	June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit attributable to:				
Owners of the Company	12,794	9,711	12,794	9,711
Non-controlling interests	* -	* -	* -	* -
Profit for the period	12,794	9,711	12,794	9,711
Total comprehensive income attributable to:				
Owners of the Company	12,961	9,744	12,961	9,744
Non-controlling interests *	* -	* -	* -	* -
Total comprehensive income for the period	12,961	9,744	12,961	9,744
Earnings per share attributable to owners of the Company:				
Basic (Sen)				
- continuing operations	1.57	1.19	1.57	1.19
Diluted (Sen)				
- continuing operations	1.57	1.19	1.57	1.19

* Represent amount less than RM1,000

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Financial PositionAs at 30th June 2024

	30th June 2024	31st March 2024
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment & right-of-use assets	77,643	78,659
Intangible assets	100,054	100,064
Operating financial assets	5,092	5,436
Investment in associates	722	711
Investment in a joint venture	93	-
	183,604	184,870
CURRENT ASSETS		
Inventories	21,036	29,209
Operating financial assets	1,380	1,380
Trade receivables	111,554	91,793
Other receivables & deposits	11,833	14,022
Prepayments	689	1,349
Contract assets	150,996	148,707
Current tax assets	644	510
Cash and short-term deposits (<i>Note 29</i>)	162,282	160,466
	460,414	447,436
TOTAL ASSETS	644,018	632,306
EQUITY AND LIABILITIES		
EQUITY		
Share capital	180,759	180,759
Foreign currency translation reserve	194	27
Revaluation reserve	28,985	29,226
Retained Earnings	182,435	169,400
Total equity attributable to owners of the Company	392,373	379,412
Non-controlling interests	(1,863)	(1,863)
TOTAL EQUITY	390,510	377,549

Condensed Consolidated Statement of Financial PositionAs at 30th June 2024

(continued)

	30th June 2024	31st March 2024
	RM'000	RM'000
NON-CURRENT LIABILITIES		
Lease liabilities	79	79
Deferred tax liabilities	10,342	11,491
	<u>10,421</u>	<u>11,570</u>
CURRENT LIABILITIES		
Short-term borrowing	-	3,210
Current tax liabilities	3,941	2,730
Trade payables	73,398	58,549
Other payables and accruals	164,527	173,911
Lease Liabilities	54	72
Contract liabilities	1,167	4,715
	<u>243,087</u>	<u>243,187</u>
TOTAL LIABILITIES	<u>253,508</u>	<u>254,757</u>
TOTAL EQUITY AND LIABILITIES	<u>644,018</u>	<u>632,306</u>
Net assets per ordinary share		
attributable to owners of the Company		
(sen)	<u>48.10</u>	<u>46.51</u>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Changes in Equity

For the First Quarter Ended 30th June 2024

	← Attributable to the owners of the Company →						
	Ordinary Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Accumulated Losses RM'000	Sub-total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
At 1 st April 2023	610,759	1	30,189	(293,828)	347,121	(1,842)	345,279
<i>Total comprehensive income for the financial period</i>							
Profit after taxation for the financial period	-	-	-	9,711	9,711	-	9,711
Other comprehensive loss for the financial period, net of tax -foreign currency translation	-	33	-	-	33	-	33
Total comprehensive income	-	33	-	9,711	9,744	-	9,744
Realisation on revaluation reserve	-	-	(241)	241	-	-	-
At 30th June 2023	610,759	34	29,948	(283,876)	356,865	(1,842)	355,023

Condensed Consolidated Statement of Changes in Equity

For the First Quarter Ended 30th June 2024 (continued)

	← Attributable to the owners of the Company →				Sub-Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Ordinary Share Capital RM'000	Foreign Currency Translation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000			
At 1 st April 2024	180,759	27	29,226	169,400	379,412	(1,863)	377,549
<i>Total comprehensive income for the financial period</i>							
Profit after taxation for the financial period	-	-	-	12,794	12,794	-	12,794
Other comprehensive income for the financial period, net of tax -foreign currency translation	-	167	-	-	167	-	167
Total comprehensive income	-	167	-	12,794	12,961	-	12,961
Realisation on revaluation reserve	-	-	(241)	241	-	-	-
At 30th June 2024	180,759	194	28,985	182,435	392,373	(1,863)	390,510

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Cash FlowsFor the First Quarter Ended 30th June 2024

	Cumulative 3 months ended 30th June 2024 RM'000	Cumulative 3 months ended 30th June 2023 RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation		
- continuing operations	15,895	12,233
<i>Adjustments for:</i>		
Amortisation of intangible assets	10	214
Depreciation of property, plant and equipment & right-of-use assets	1,084	1,722
Effect on accretion of interest on operating assets	(129)	(153)
Finance costs	78	160
Gain on disposal of property, plant and equipment	(3)	-
Interest income	(1,096)	(804)
Provision of inventories written down	2,538	-
Reversal of impairment losses on receivables	(4)	-
Share of results of associates	(12)	13
Share of results of a joint venture	145	-
Unrealised foreign exchange loss	906	854
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	19,412	14,239
<i>Changes in working capital:</i>		
Contract assets/liabilities	(5,837)	(53,726)
Inventories	5,635	3,344
Operating financial assets	474	474
Trade and other receivables, deposits & prepayments	(16,909)	(14,584)
Trade and other payables	(2,287)	56,655
NET CASH FROM OPERATIONS	488	6,402
Interest received	1,096	804
Interest paid	(78)	(196)
Income tax paid	(2,492)	(2,302)
NET CASH (USED IN)/FROM OPERATING ACTIVITIES	(986)	4,708

Condensed Consolidated Statement of Cash FlowsFor the First Quarter Ended 30th June 2024 (continued)

	Cumulative 3 months ended 30th June 2024 RM'000	Cumulative 3 months ended 30th June 2023 RM'000
CASH FLOW FROM INVESTING ACTIVITIES		
Acquisition of plant and equipment	(70)	(35)
Proceeds from disposal of plant and equipment	5	1
Forfeiture income arising from termination of shares sale agreement	7,000	-
Net movement of deposits with maturity more than 3 months	(305)	-
NET CASH FROM/ (USED IN) INVESTING ACTIVITIES	6,630	(34)
CASH FLOW FROM FINANCING ACTIVITIES		
Payments of lease liabilities	(17)	(97)
Proceeds from short term borrowing	-	673
Repayment of short term borrowing	(3,210)	(1,629)
NET CASH USED IN FINANCING ACTIVITIES	(3,227)	(1,053)
Net increase in cash and cash equivalents	2,417	3,621
Cash and cash equivalents at the beginning of the period	141,843	101,444
Effect of exchange rate changes on cash and cash equivalents	(907)	1,179
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	143,353	106,244

Cash and cash equivalents at end of the period comprise the following:

Cash and bank balances	44,674	24,109
Short-term deposits placed	117,607	80,763
	<u>162,281</u>	<u>104,872</u>
Less: Deposits with maturity more than 3 months	(18,928)	(17,843)
	143,353	87,029
Cash and cash equivalents under disposal group classified as asset held for sale	-	22,572
Less: Deposits with maturity more than 3 months	-	(3,357)
	<u>143,353</u>	<u>106,244</u>

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Group for the financial year ended 31st March 2024 and the accompanying explanatory notes attached to the interim financial report.

Notes to the Interim Financial Report

For the First Quarter Ended 30th June 2024

1. Basis of preparation

This interim financial report is based on the unaudited financial statements for the quarter ended 31 March 2024 and has been prepared in compliance with Malaysian Financial Reporting Standards (“MFRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Rule 9.22 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Malaysia”).

This interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2024.

2. Changes in Accounting Policies

The accounting policies adopted for this interim financial report is consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2024 except for the adoption of the following new MFRS and amendments/improvements to MFRSs, which are effective for financial periods beginning on 1 April 2024:

Amendments/Improvements to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 16	Leases
MFRS 101	Presentation of Financial Statements
MFRS 107	Statement of Cash Flows

The adoption of the above new amendments/improvements to MFRSs are not expected to have any material impact on the financial statements of the Group.

2. Changes in Accounting Policies (cont'd)

The Group has not adopted the following amendments/improvements to MFRSs that have been issued, but yet to be effective to the Group:

New MFRS

MFRS 18	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

Amendments/Improvements to MFRSs

MFRS 7	Financial Instruments: Disclosures
MFRS 9	Financial Instruments
MFRS 10	Consolidated Financial Statements
MFRS 121	The Effects of Changes in Foreign Exchange Rates
MFRS 128	Investments in Associates and Joint Ventures

The adoption of the above new MFRS, amendments/improvements to MFRSs are not expected to have any material impact on the financial statements of the Group.

3. Audit report of preceding annual financial statement

The preceding year audited financial statements were not subject to any qualifications.

4. Seasonal or cyclical factors

The business of the Group is not affected by any significant seasonal or cyclical factors in this financial quarter.

5. Segment information

The Group's operating segments information for the interim financial report to 30 June 2024 was as follows:-

	← Continuing operations →			
	Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	Total continuing operations RM'000
Revenue from external customers	81,587	-	-	81,587
Segment results <i>(Note A)</i>	23,728	(5)	39	23,762
Share of results of associates, net of tax	11	-	-	11
Share of results of a joint venture, net of tax	-	(146)	-	(146)
Unallocated corporate expenses	-	-	(7,732)	(7,732)
Profit/(loss) before taxation	23,739	(151)	(7,693)	15,895
Income tax expenses	(3,101)	-	-	(3,101)
Profit/(loss) for the period	20,638	(151)	(7,693)	12,794

Note A: The following are items included in Segment results:

	← Continuing operations →			
	Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	Total continuing operations RM'000
Operating results	22,585	-	-	22,585
Add/(Less):				
- Depreciation and amortisation	(1,133)	-	39	(1,094)
- Interest income	1,096	-	-	1,096
- Forfeiture income	7,000	-	-	7,000
- Reversal of impairment losses on receivables	4	-	-	4
- Other income	19	-	-	19
- Finance costs	(78)	-	-	(78)
- Administrative, operating and other expenses	(5,765)	(5)	-	(5,770)
	1,143	(5)	39	1,177
Segment results	23,728	(5)	39	23,762

5. Segment information (cont'd)

The Group's operating segments information for the interim financial report to 30 June 2023 was as follows:-

	← Continuing operations →			
	Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	Total continuing operations RM'000
Revenue from external customers	127,467	16	-	127,483
Segment results <i>(Note B)</i>	17,287	8	12	17,307
Share of results of associates, net of tax	(13)	-	-	(13)
Unallocated corporate expenses	-	-	(5,061)	(5,061)
Profit before taxation	17,274	8	(5,049)	12,233
Income tax expenses	(2,522)	-	-	(2,522)
Profit for the period	14,752	8	(5,049)	9,711

Note B: The following are items included in Segment results:

	← Continuing operations →			
	Trusted ID & IT Division RM'000	Other Divisions RM'000	Adjustments & Eliminations RM'000	Total continuing operations RM'000
Operating results	23,775	16	-	23,791
Add/(Less):				
- Depreciation and amortisation	(1,948)	-	12	(1,936)
- Interest income	804	-	-	804
- Other income	41	-	-	41
- Finance costs	(160)	-	-	(160)
- Administrative, operating and other expenses	(5,225)	(8)	-	(5,233)
	(6,488)	(8)	12	(6,484)
Segment results	17,287	8	12	17,307

6. Capital Commitments

**As at
30th June 2024
RM'000**

Approved and contracted for:-

Upgrade of Enterprise Resource Planning system

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7. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for this financial quarter.

8. Changes in the composition of the Group

There were no changes in the composition of the Group in this financial quarter except for the following:

a) Investment of a 50% owned joint venture company

IRIS Tech Ventures Sdn Bhd (“ITV”), a wholly-owned subsidiary of the Company, had on 22 April 2024 entered into Shareholders Agreement (“SA”) with Aitken Spence International Pte Ltd (“ASIPL”), a company incorporated in Singapore, to form a joint venture company, Port City BPO (Private) Limited (“PCBPO”), in Colombo Port City Special Economic Zone in Sri Lanka. In accordance with the SA, ITV and ASIPL shall each own 50% equity interest in PCBPO.

9. Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect in this financial quarter.

10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of this financial quarter.

11. Items of an unusual nature

There were no items of unusual nature, which affects assets, liabilities, equity, net income or cash flows in this financial quarter.

12. Valuations of property, plant and equipment

There were no valuations made on property, plant and equipment for this financial quarter.

13. Changes in contingent liabilities and contingent assets

There are no contingent liabilities and assets incurred or known to be incurred by the Company and/or the Group as at 30 June 2024 except for potential contingent liabilities or assets arising from arbitration proceedings in relation to the termination of NIISe contract as disclosed in Note 23(ii) of this report.

The outcome of the arbitration proceedings is expected to have an impact on the Group's financial performance. However, the extent of the impact, including potential contingent liabilities or assets, cannot be reliably ascertained at this reporting date.

14. Taxation

	Individual		Cumulative	
	3 months ended		3 months ended	
	30th June	30th June	30th June	30th June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Continuing operations</u>				
Income tax				
- Current financial year	(4,250)	(2,740)	(4,250)	(2,740)
	(4,250)	(2,740)	(4,250)	(2,740)
Deferred tax				
- Origination of temporary differences	1,149	218	1,149	218
	1,149	218	1,149	218
Income tax expenses recognised in profit or loss	(3,101)	(2,522)	(3,101)	(2,522)

The Group's effective tax rate for current financial quarter differ from the statutory tax rate of 24% is mainly due to higher of non-taxable of income recognised in this financial quarter.

15. Related Party Transactions

The Company has not entered into any significant transactions with related parties of the Group for the cumulative 3 months period ended 30 June 2024.

Additional information required by the AMLR

16.1 Review of Performance

Continuing operations

For the current financial quarter ended 30 June 2024, the Group recorded a revenue of RM81.6 million, a decrease of RM45.9 million or 36.0% from RM127.5 million recorded in the previous comparable financial quarter ended 30 June 2023. The Group recorded a profit before taxation of RM15.9 million in this financial quarter as compared to a profit before taxation of RM12.2 million recorded in the previous comparable financial quarter ended 30 June 2023.

The higher revenue in previous comparable financial quarter is mainly due to the recognition of revenue from NIISe project of RM50.4 million.

The performance of the respective business segments for this financial quarter ended 30 June 2024 as compared to the previous comparable financial quarter is analysed as follows:

Trusted ID & IT Division

Trusted ID & IT division recorded a revenue of RM81.6 million in this financial quarter as compared to RM77.1 million (exclude NIISe project) in the previous comparable financial quarter, representing an increase of RM4.5 million or 5.8%. The higher revenue was mainly attributable to higher delivery of e-Passports and e-ID cards in the current financial quarter.

Other Divisions

There is no significant contribution from the other divisions in current financial quarter.

16.2 Comparison with Preceding Quarter

Continuing operations

For the current financial quarter ended 30 June 2024, the Group recorded a revenue of RM81.6 million as compared to RM46.1 million recorded in the preceding financial quarter ended 31 March 2024.

The Group reported a profit before taxation of RM15.9 million as compared to a profit before taxation of RM5.1 million recorded in the preceding financial quarter. Higher profit before taxation in this financial quarter is mainly due to higher delivery of e-Passports and e-ID cards for overseas projects and forfeiture income of RM7,000,000 arising from termination of shares sale agreement.

17. Prospects

The Group's growth is expected to be driven by the delivery and supply of eID cards and e-Passports from existing and new customers. The Group will also leverage on its extensive customer networking to actively pursue new growth opportunities in its core Trusted ID & adjacent IT business in both international and domestic markets.

The Group will continue to focus on cost optimization efforts to ensure the Group remains competitive in the challenging business environment and deliver sustainable growth in the long term.

The Board is cautiously optimistic that the Group shall perform positively in the coming financial year ending 31 March 2025 arising from continued delivery of eID cards, and e-Passports to overseas customers and return from our recent overseas investment.

18. Variance between actual results and forecasted profit and shortfall in profit guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

19. Unquoted Securities and/or Properties

There were no purchases or disposals of unquoted securities and/or properties for the current financial quarter and financial period to date.

20. Quoted Securities

There were no purchases or disposals of quoted securities for the current financial quarter and financial period to date.

21. Group Borrowings and Debt Securities

There were no outstanding bank borrowings (exclude hire purchase and finance lease) as at the end of current financial quarter.

22. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 23 August 2024 being the latest practicable date which is not earlier than seven (7) days from date of issue of this quarterly report.

23. Material Litigation

Save for the material litigations as disclosed below, there are no other material litigations involving the Group as at 23 August 2024:

(i) In the High Court of Malaya at Kuala Lumpur; IRIS Corporation Berhad (“Plaintiff”) against nine (9) former members of the Board of Directors (“Defendants”)

The Company had on 24 April 2019 commenced legal proceedings in the Kuala Lumpur High Court (“High Court”) against the Former Directors of the Company concerning the Company’s investment in Border Control Solutions Limited (“BCS”). The Company brought this action for loss suffered from the Former Directors of the Company’ failure to discharge their respective fiduciary duty, duty of fidelity and/or duty to exercise reasonable care, skill and diligence as directors of the Company at that material time.

The Company sought the following reliefs against the Former Directors of the Company jointly and severally:

- a) the sum of RM11,721,050 being the total amount paid by the Company for the subscription of the BCS’s shares which is equivalent to total sum of Great Britain Pound (“GBP”) 2.05 million (by reference to the conversion rates prevailing on the respective dates of payments);
- b) the sum of RM482,172 being the total amount paid by the Company to Joseph Vijay Kumar (“JVK”) as consultant fees which is equivalent to total sum of GBP84,000 (by reference to the conversion rates prevailing on the respective dates of payments);
- c) pre-judgment interest on the sums awarded in (a) and (b) above pursuant to section 11 of the Civil Law Act 1956;
- d) post-judgment interest on the sums awarded in (a) and (b) above at the rate of 5% per annum from the date of judgment until the date of full and final realisation;
- e) alternative to (a) and (b) above, general damages to be assessed;
- f) interest on the general damages awarded in (e) above;
- g) costs; and/or
- h) all other relief which this Honourable Court deems fit and just.

Items (a) and (b) above have been fully impaired/expensed off to profit & loss in the previous financial year.

On 18 August 2022, the High Court dismissed the claims by the Plaintiff against the Defendants.

The High Court awarded costs in the sum of RM85,000 each to Tan Sri Razali, Datuk Tan, YAM Tunku Dato’ Seri Shahbuddin and Dato’ Hamdan. While a sum of RM85,000 was awarded collectively to Dato’ Eow, Chan Feoi Chun, Syed Abdullah and Datuk Nik Azman.

23. Material Litigation (cont'd)

(i) In the High Court of Malaya at Kuala Lumpur; IRIS Corporation Berhad (“Plaintiff”) against nine (9) former members of the Board of Directors (“Defendants”) (cont'd)

The Company had on 12 September 2022 filed an appeal to the Court of Appeal against the decision of the High Court.

The e-review date which was fixed on 25 September 2023 and the hearing of the appeal which was fixed on 9 October 2023 had been vacated by the Court of Appeal.

The Registrar has now fixed the Case Management on 17 September 2024 and new hearing date of appeal is fixed on 30 September 2024.

(ii) Notice of Arbitration; IRIS Information Technology Systems Sdn Bhd (“IITS”) against Kementerian Dalam Negeri (“KDN”)

On 10 August 2023, KDN had issued a letter to terminate the NIISe Contract. IITS had on 24 November 2023, via its solicitors, filed a Notice of Arbitration (“NOA”) under the Asian International Arbitration Centre (“AIAC”) Arbitration Rules 2023 to refer the disputes with KDN arising from and in connection with the NIISe Contract to the AIAC for arbitration.

The Parties have agreed on the appointment of the Arbitrator.

(iii) Writ of Summons and Statement of Claim; Tec D Distribution (Malaysia) Sdn. Bhd. (“Tec D”) against IRIS Information Technology Systems Sdn. Bhd. (“IITS”) and IRIS Corporation Berhad (“ICB”)

Tec D had on 5 December 2023 commenced legal action in Kuala Lumpur High Court against IITS (“1st Defendant”) and ICB (“2nd Defendant”) respectively claiming for an outstanding sum of RM30,139,099 together with late payment interest in relation to the supply of computer hardware and/or software and/or programs and/or services for NIISe Project.

The Defendants have filed and served their respective Statement of Defence on 4 January 2024. The 2nd Defendant has filed a Notice of Application for Striking-Out on 19 January 2024. The Plaintiff has filed a Notice of Application for Summary Judgment against 1st Defendant on 23 January 2024. The Plaintiff filed its Reply to the Defendants’ Defence on 29 January 2024.

The Court has dismissed the 2nd Defendant’s Notice of Application for Striking Out and the Plaintiff’s Notice of Application for Summary Judgment respectively on 13 May 2024 and fixed full trial dates on 17 January 2028 – 20 January 2028 and 24 January 2028.

24. Dividend

The Company did not pay any dividend in the current financial quarter.

25. Earnings Per Ordinary Share

	Individual 3 months ended 30th June 2024		Cumulative 3 months ended 30th June 2024	
	30th June 2023 Restated	30th June 2023 Restated	30th June 2024	30th June 2023 Restated
(a) Basic earnings per ordinary share				
Earnings attributable to owners of the Company for the period (RM'000)				
- continuing operations	12,794	9,711	12,794	9,711
Weighted average number of ordinary shares ('000) at end of period *	815,728	815,728	815,728	815,728
Basic earnings per ordinary share (Sen)				
- continuing operations	1.57	1.19	1.57	1.19
(b) Diluted earnings per ordinary share				
Earnings attributable to owners of the Company for the period (RM'000)				
- continuing operations	12,794	9,711	12,794	9,711
Weighted average number of ordinary shares for the purpose of diluted earnings per share ('000) at end of period *	815,728	815,728	815,728	815,728
Diluted earnings per ordinary share (Sen)				
- continuing operations	1.57	1.19	1.57	1.19

* The weighted average number of ordinary shares has been restated to reflect the retrospective adjustment arising from share consolidation from 4 existing ordinary shares in the Company into 1 ordinary share, resulting in the reduction in the number of shares from 3,262,910,862 ordinary shares to 815,727,624 ordinary shares, which was completed on 25 March 2024.

26. Comparative figures

Certain comparative figures as shown in the condensed consolidated statement of financial position and statement of comprehensive income have been reclassified in order to conform with the current financial period's presentation.

27. Profit before taxation

	Individual 3 months ended 30th June 2024 RM'000	Cumulative 3 months ended 30th June 2024 RM'000
Profit before taxation is arrived at after charging:		
<i>Continuing operations</i>		
- Amortisation of intangible assets and depreciation of property, plant and equipment & right-of-use assets	1,094	1,094
- Provision of inventories written down	2,538	2,538
- Foreign currency exchange loss - net	3,590	3,590
	<hr/>	<hr/>

28. Other income

	Individual 3 months ended 30th June 2024 RM'000	Cumulative 3 months ended 30th June 2024 RM'000
<i>Continuing operations</i>		
- Interest income	1,096	1,096
- Forfeiture income	7,000	7,000
- Reversal of impairment loss on receivables	4	4
- Others	19	19
	<hr/>	<hr/>
	8,119	8,119
	<hr/>	<hr/>

29. Cash and short-term deposits

	As at 30th June 2024 RM'000	As at 31st March 2024 RM'000
Cash and bank balances	44,674	61,624
Short-term deposits placed with licensed banks	117,608	98,842
	<hr/>	<hr/>
	162,282	160,466
	<hr/>	<hr/>

Included in cash and bank balances and short-term deposits placed with licensed banks is an amount of RM32,319,558 (As at 31 March 2024: RM31,322,015) pledged to licensed banks for credit facilities.

30. Authorisation for Issue

This interim financial report was authorised for issuance by the Board of Directors on 30 August 2024.