IREKA CORPORATION BERHAD (Company No. 197501004146 (25882-A))

Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the period ended 31 December 2025

All figures in RM'000 unless otherwise stated	**Current Quarter 31.12.2025**	Comparative Quarter 31.12.2024	**Cumulative Period 6-month 31.12.2025**	Cumulative Period 6-month 31.12.2024
Revenue	**78**	**17,758**	**576**	**21,120**
Cost of sales	**(298)**	**(16,217)**	**(435)**	**(19,800)**
Gross (loss)/profit	**(220)**	**1,541**	**141**	**1,320**
Other income	**3,590**	**165**	**7,199**	**227**
Expenses	**(2,302)**	**(3,364)**	**(5,037)**	**(6,380)**
Operating profit/(loss)	**1,068**	**(1,658)**	**2,303**	**(4,833)**
Finance costs	**(1,031)**	**(1,131)**	**(2,079)**	**(1,995)**
Profit/(Loss) before tax	**37**	**(2,789)**	**224**	**(6,828)**
Income tax	**(3)**	**(96)**	**(6)**	**(96)**
Profit/(Loss) for the period	**34**	**(2,885)**	**218**	**(6,924)**
Other comprehensive (loss)/income:-				
Currency translation differences	**(5)**	**25**	**(7)**	**(29)**
Other comprehensive (loss)/income for the period, net of tax	**(5)**	**25**	**(7)**	**(29)**
Total comprehensive income for the period	**29**	**(2,860)**	**211**	**(6,953)**
Profit attributable to:-				
Owners of the Company	**43**	**(3,322)**	**236**	**(6,876)**
Non-controlling interests	**(9)**	**437**	**(18)**	**(48)**
	34	**(2,885)**	**218**	**(6,924)**
Total comprehensive income attributable to:-				
Owners of the Company	**38**	**(3,297)**	**229**	**(6,905)**
Non-controlling interests	**(9)**	**437**	**(18)**	**(48)**
	29	**(2,860)**	**211**	**(6,953)**
Profit/(Loss) per share attributable to owners of Company:-				
- basic (sen)	**0.02**	**(1.57)**	**0.11**	**(3.24)**

Note:
The Unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to the interim financial statements.

Other information:-

Operating profit/(loss)	**1,068**	**(1,658)**	**2,303**	**(4,833)**
Gross interest income	**3**	**25**	**3**	**50**
Gross interest expense	**(1,031)**	**(1,131)**	**(2,079)**	**(1,995)**

IREKA CORPORATION BERHAD (Company No. 197501004146 (25882-A))

Unaudited Condensed Consolidated Statement of Financial Position as at 31 December 2025

	Unaudited As At 31.12.2025 RM'000	Audited As At 30.06.2025 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	**46**	66
Right-of-use assets	**566**	849
Investment properties	**12,415**	12,415
Inventories	**24,965**	24,965
Total non-current assets	**37,992**	38,295
Current assets		
Inventories	**71,599**	69,286
Tax assets	**1,131**	1,713
Trade and other receivables	**23,004**	23,209
Contract costs	**400**	966
Contract assets	**29**	29
Fixed deposits (pledged)	**3,231**	6,423
Cash and bank balances	**464**	729
	99,858	102,355
Assets held for sale	**-**	128
Total current assets	**99,858**	102,483
TOTAL ASSETS	**137,850**	140,778
EQUITY AND LIABILITIES		
Equity		
Share capital	**207,729**	207,729
Foreign currency translation reserve	**(448)**	(441)
Accumulated losses	**(338,673)**	(338,910)
Equity attributable to owners of the Company	**(131,392)**	(131,622)
Non-controlling interests	**(744)**	(726)
Capital deficiency	**(132,136)**	(132,348)
Non-current liabilities		
Lease liabilities	**-**	329
Redeemable convertible preference shares	**67,608**	67,608
Retirement benefits obligation	**536**	588
Deferred tax liabilities	**132**	132
Total non-current liabilities	**68,276**	68,657
Current liabilities		
Lease liabilities	**651**	638
Loans and borrowings	**8,469**	7,486
Trade and other payables	**114,911**	117,298
Contract liabilities	**36,040**	36,534
Provisions	**41,639**	42,513
Total current liabilities	**201,710**	204,469
TOTAL LIABILITIES	**269,986**	273,126
TOTAL EQUITY AND LIABILITIES	**137,850**	140,778

Note:

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 30 June 2024 and the accompanying explanatory notes attached to the Interim Statements.

Other Information:-

Net liabilities per share (RM)	**(0.58)**	(0.58)

IREKA CORPORATION BERHAD (Company No. 197501004146 (25882-A))
Unaudited Condensed Consolidated Statement of Changes in Equity
for the 6-month ended 31 December 2025

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Sub-Total	Non-Controlling Interests	Capital Deficiency
	← Attributable to owners of the Company →					
	← Non - Distributable →		← Distributable →			
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
6 months ended 31.12.2025 (Unaudited)						
Balance as at 01.07.2025	207,729	(441)	(338,911)	(131,623)	(725)	(132,348)
Total comprehensive income/(loss) for the financial period	-	-	238	238	(18)	220
Other comprehensive loss for the financial period	-	(7)	-	(7)	-	(7)
Balance as at 31.12.2025	207,729	(448)	(338,673)	(131,392)	(743)	(132,135)

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Sub-Total	Non-Controlling Interests	Capital Deficiency
	← Attributable to owners of the Company →					
	← Non - Distributable →		← Distributable →			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial year ended 30.06.2025(Audited)						
Balance as at 01.07.2024	207,729	(444)	(334,776)	(127,491)	15,326	(112,165)
Total comprehensive income/(loss) for the financial year	-	3	(19,081)	(19,078)	(1,105)	(20,183)
Total transaction with owners	-	-	14,946	14,946	(14,946)	-
Balance as at 30.06.2025	207,729	(441)	(338,911)	(131,623)	(725)	(132,348)

IREKA CORPORATION BERHAD **(Company No. 197501004146 (25882-A))**

Unaudited Condensed Consolidated Statement of Cash Flows for the 6-month quarter 31 December 2025

All figures in RM'000	**Unaudited Cumulative Period 6-month 31.12.2025**	Audited Cumulative Year 12-month 30.06.2025
Cash flows from/(for) operating activities		
Profit/(Loss) before taxation	**224**	(20,267)
Adjustments for:-		
Property, plant and equipment written off	**-**	132
Depreciation of property, plant and equipment	**20**	150
Depreciation of right-of-use assets	**283**	409
Fair value gain on investment properties	**-**	(811)
Fair value gain on other investments	**-**	(116)
Gain on derecognition of right-of-use assets	**-**	(2)
Loss on disposal of other investment	**-**	495
Gain on disposal of asset held for sale	**(25)**	-
Other investments written off	**-**	34
Unrealised foreign exchange (gain)/loss	**(1)**	44
Interest expense	**2,079**	4,541
Interest income	**(3)**	(101)
Loss on lease modification	**-**	7
Provision for onerous contracts	**-**	6,826
Provision for corporate guarantee	**-**	9
Provision for retirement benefits obligation	**16**	75
Waiver of debts	**-**	(18)
Other debtor written off	**-**	41
Operating profit/(loss) before working capital changes	**2,593**	(8,552)
Changes in working capital:		
Contract assets and liabilities	**494**	7,091
Contract costs	**566**	441
Inventories	**(2,313)**	9,293
Trade and other receivables	**795**	19,234
Trade and other payables	**(1,358)**	(18,812)
Net cash generated from operations	**777**	8,695
Payment of retirement benefits obligation	**(68)**	(83)
Income tax paid	**(8)**	(39)
Income tax refunded	**-**	877
Net cash from operating activities	**701**	9,450
Cash flows from investing activities		
Advances to related parties	**-**	(159)
Change in pledged bank balance	**3,192**	-
Change in pledged deposits	**-**	(546)
Interest received	**3**	101
Payment from finance lease receivables	**-**	153
Purchase of property, plant and equipment		(4)
Proceeds from disposal of property, plant & equipment	**-**	1
Proceeds from disposal of other investments	**-**	2,437
Proceeds from disposal of assets for sale	**153**	-
Net cash from investing activities	**3,348**	1,983

Unaudited Condensed Consolidated Statement of Cash Flows for the 6-month quarter ended 31 December 2025

All figures in RM'000	**Unaudited Cumulative Period 6-month 31.12.2025**	Audited Cumulative Year 12-month 30.06.2025
Cash flows for financing activities		
Advances from/(Repayment to) directors	**119**	(3,627)
Advances from related parties	**-**	470
Interest paid	**(2,079)**	(4,541)
Repayment of corporate guarantee	**(1,956)**	(4,321)
Repayment of lease liabilities	**(316)**	(613)
Repayment of term loans	**(83)**	(1,573)
Repayment of legal claims	**-**	(25)
Net cash for financing activities	**(4,315)**	(14,230)
Net decrease in cash and cash equivalents	**(266)**	**(2,796)**
Cash and cash equivalents as at beginning of financial period/year	**729**	3,569
Effect of exchange rates change on cash and cash equivalents	**1**	(44)
Cash and cash equivalents as at end of financial period/year	**464**	729

Note:
The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 30 June 2025 and the accompanying explanatory notes attached to the interim financial statements.

A1 Basis of Preparation

The unaudited interim financial report has been prepared in accordance with M*FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of the Bursa Malaysia Securities Berhad*.

The unaudited interim financial report should be read in conjunction with the audited financial statements of Ireka Corporation Berhad ("the Group" or "the Company" or "ICB") for the financial year ended 30 June 2025. The explanatory notes attached to the unaudited interim financial report provide explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2025.

The adoption of the below accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the Group's Financial Statements.

MFRS and/or IC Interpretations (Including the Consequential Amendments)

Description	
MFRS 17	Insurance Contracts
Amendments to MFRS 101	Presentation of Financial Statements
Amendments to MFRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to MFRS 112	Income Taxes

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but yet to be effective:

Description		Effective for annual period beginning on or after
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	1 January 2026
Amendments to MFRS 7	Financial Instruments: Disclosures	1 January 2024/ 1 January 2026
Amendments to MFRS 9	Financial Instruments	1 January 2026
Amendments to MFRS 10	Consolidated Financial Statements	1 January 2026/ Deferred
Amendments to MFRS 16	Leases	1 January 2024
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2024
Amendments to MFRS 107	Statements of Cash Flows	1 January 2024/ 1 January 2026

A1 Basis of Preparation (continued)

The Group has not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but yet to be effective: (continued)

Description		Effective for annual period beginning on or after
Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates	1 January 2025
Amendments to MFRS 128	Investments in Associates and Joint Ventures	Deferred

The adoption of the above MFRSs is not expected to have a material impact in the financial statements of the Group.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 30 June 2025.

A3 Audit Report

The Group's External Auditors, Messrs. Baker Tilly Monteiro Heng PLT, have expressed a disclaimer of opinion on the Audited Financial Statements for the previous financial year ended 30 June 2025. The detailed basis for disclaimer of opinion has been disclosed in the Independent Auditors' Report section of the Annual Report of ICB for the financial year ended 30 June 2025 (pages 112 to 115).

A4 Seasonality or Cyclicality of Operations

The Group's business operations are not materially affected by seasonal or cyclical factors for the current quarter under review.

A5 Unusual Significant Items

There were no unusual items due to the nature, size or incidence affecting the assets, liabilities, equity, net income or cash flow of the Group during the financial period-to-date under review.

A6 Material Changes in Estimates

There were no significant changes in estimates that have had a material effect in the financial period-to-date results.

A7 Changes in Debt and Equity Securities

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter.

A8 Dividend Paid

No dividend was paid or declared during the financial year ended 30 June 2025.

A9 Segmental Information

Group revenue and results

	Individual Quarter		Cumulative Period	
	3 Months Ended	3 Months Ended	6 Months Ended	6 Months Ended
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Segment Revenue				
Revenue				
Construction	-	4,972	-	4,972
Property development	21	12,728	464	16,055
Property investment	64	61	129	114
Trading and services	138	138	276	276
Investment holding and other	860	863	1,720	1,726
Total	**1,083**	**18,762**	**2,589**	**23,143**
Elimination of inter-segment sales	(1,005)	(1,004)	(2,013)	(2,023)
Total	**78**	**17,758**	**576**	**21,120**

	Individual Quarter		Cumulative Period	
	3 Months Ended	3 Months Ended	6 Months Ended	6 Months Ended
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Segment Results				
Profit/(Loss) before tax				
Construction	(341)	517	(681)	402
Property development	1,917	(532)	4,334	(1,964)
Property investment	(136)	(166)	(276)	(314)
Trading and services	(84)	(395)	(189)	(805)
Investment holding and other	(1,274)	(2,597)	(3,094)	(4,874)
Total	**82**	**(3,173)**	**94**	**(7,555)**
Elimination of inter-segment items	(45)	384	130	727
Total	**37**	**(2,789)**	**224**	**(6,828)**

A10 Valuation of Investment Properties

The valuation of investment properties has been brought forward without amendment from the previous audited financial statements for the financial year ended 30 June 2025.

A11 Significant Events during the Period and Subsequent Events

With reference to the appeal against the de-listing of ICB to Bursa Malaysia Securities Berhad ("Bursa Securities") on 2 October 2025, the latter via its letter dated 2 December 2025, decided to allow the appeal and grant ICB an extension of time ("EOT") until 28 February 2026 to submit its regularisation plan to the relevant authorities for approval ("Extended Timeframe").

On 12 February 2026, Kenanga Investment Bank Berhad ("Kenanga IB") was appointed as the new Principal Adviser to the Group, to undertake the formulation and submission of the Group's regularisation plan to Bursa Securities.

On 13 February 2026, on behalf of ICB, Kenanga IB had, submitted an application to Bursa Securities seeking its approval for a further EOT of six (6) months until 31 August 2026 for the Group to submit its regularisation plan for approval ("EOT Application").

The extension of time will accord Kenanga IB time to work with the new leadership of ICB in order to formulate a regularisation plan that is comprehensive in resolving the issues that had caused the Group to trigger the prescribed criteria under Practice Note 17 of the Main Market Listing Requirements of Bursa Securities.

The outcome of the EOT Application will be announced upon the receipt of decision from Bursa Securities.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A13 Contingent Assets and Liabilities

(a) Contingent Assets

There were no contingent assets as at the end of the current quarter or at the end of the previous financial year.

(b) Contingent Liabilities

	Financial Quarter Ended 31.12.2025 RM'000	**Financial Year Ended 30.06.2025 RM'000**
Corporate guarantees given by ICB for all credit facilities taken by subsidiaries	16,984	18,068

A14 Capital Commitments

There were no capital commitments as at the end of the current quarter.

B1 Review of Performance

(a) Performance of Current Year against the Preceding Year Corresponding Period

For the financial period ended 31 December 2025, the Group registered net revenue of RM0.08 million, compared to RM17.8 million for the preceding year's corresponding quarter. This decline reflects the completion of the KaMi Mont' Kiara project, marked by the issuance of the Certificate of Completion and Compliance ("CCC") on 6 June 2024 and Vacant Possession ("VP") notice on 10 June 2024. Accordingly, the property development segment's gross revenue dropped to RM0.02 million in the current period, compared to RM12.7 million reported for last year's corresponding quarter.

The trading and services segment, comprising property development management and services divisions, recorded gross revenue of RM0.1 million, maintained at the same amount for preceding year's corresponding quarter. This is due to the completion of KaMi Mont' Kiara project, which led to low project management fees generated during the quarters above.

During the current quarter, despite a reduction in revenue, the Group recorded a net profit before tax of RM0.04 million, compared to a pre-tax loss of RM2.8 million in the corresponding quarter of the previous year. This turnaround underscores the Group's ongoing efforts to reduce operating costs and increase other income amid challenging market conditions. The higher other income was primarily driven by the supply and installation of furniture and fittings for the KaMi Mont' Kiara project, amounting to RM3.6 million.

B2 Material Change in the Quarterly Results compared to the Results of Immediate Preceding Quarter

The Group reported a net revenue of RM0.08 million for the current quarter, a decrease from RM0.5 million in the immediate preceding quarter. The lower revenue was primarily due to the completion of the KaMi Mont' Kiara project. Despite the lower revenue, the Group still managed to record a net profit before tax of RM0.04 million. This is mainly supported by the higher other income and comprehensive cost-cutting strategies as mentioned above.

B3 Prospects for the Current Financial Year

BACKGROUND

The IMF projects global growth at 3.0% in 2025, rising slightly to 3.1% in 2026. Comparatively, Malaysia's economic growth is expected to be within 4.0–4.8% in 2025, supported by ongoing infrastructure investments and resilient domestic demand. ICB's strategic direction is well aligned with the key priorities outlined in Budget 2026, particularly in the areas of infrastructure development, affordable housing, and energy transition.

The Group remains committed to stabilise its financial position and addressing its PN17 status. It will be working closely with its newly appointed principal adviser towards the finalisation of the Regularisation Plan. Concurrently, the Group is undertaking efforts to strengthen its financial position through recapitalisation initiatives, including the potential issuance and conversion of redeemable convertible preference shares.

A key initiative for the Group is to ensure the timely delivery of all ongoing development and construction projects. Leveraging the Government's continued investments in infrastructure, the Group is actively bidding for new projects to further strengthen its construction order book.

CONSTRUCTION
NEW PROJECT

On 6 February 2026, Shoraka Construction Sdn Bhd ("SCSB"), a wholly-owned subsidiary of Ireka Corporation Berhad ("ICB") has accepted a Letter of Award ("LOA") dated 26 January 2026 issued by Sarawak Land (Kemena Park) Sdn Bhd ("SLPK") for the proposed construction of the Pinnacle Condominium at Jalan Tanjung Batu, Bintulu, Sarawak ("Project"). Contract sum of this project is RM125 million.

PROPERTY DEVELOPMENT
CURRENT PROJECT

In property development, the Group remains focused on completing DWI@Rimbun Kasia in Nilai while targeting to sell all remaining unsold units before completion of the project.

With ongoing projects above, the Group is well-positioned for recovery and on-track to finalise the Regularisation Plan, optimising operational efficiency, and hence, restoring investor confidence.

B4 Variation of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee

Not applicable.

B5 Profit/(Loss) for the Period

Profit/(Loss) for the period is arrived at after charging/(crediting):

	Individual Quarter		Cumulative Period	
	3 Months Ended	3 Months Ended	6 Months Ended	6 Months Ended
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Depreciation of property, plant and equipment	8	19	20	103
Depreciation of right-of-use assets	141	97	283	194
Fair value gain on other investment	-	(111)	-	(116)
Loss on disposal of other investment	-	495	-	495
Interest expense	1,031	1,131	2,079	1,995
Interest income	(3)	(25)	(3)	(50)

B6 Taxation

The taxation for the current quarter and period-to-date are as follows:

	Individual Quarter		Cumulative Period	
	3 Months Ended	3 Months Ended	6 Months Ended	6 Months Ended
	31.12.2025 RM'000	31.12.2024 RM'000	31.12.2025 RM'000	31.12.2024 RM'000
Malaysian income tax expense	3	96	6	96

The effective tax rates of the Group for the current quarter and for the period were lower than the statutory tax rate due to losses recorded by certain subsidiaries and utilisation of tax losses brought forward by ICB and its subsidiaries.

B7 Status of Corporate Proposal

Save as disclosed in Section A11 above and as stated below, the Group has not announced any other corporate proposals during the current quarter.

Board of Directors and Committee Composition

ICB had appointed new directors to further strengthen the Group's governance framework by promoting diversity in leadership and ensuring that independent oversight is maintained across all key areas of responsibility.

B8 Group Borrowings and Debt Securities

		Unaudited As at 31.12.2025 RM'000	Unaudited As at 31.12.2024 RM'000
(a)	Short term borrowings		
	Secured:-		
	Lease liabilities	**651**	660
	Redeemable convertible preference shares	**-**	67,608
	Term loans	**8,469**	8,913
		9,120	77,181
(b)	Long term borrowings		
	Secured:-		
	Lease liabilities	**-**	**654**
	Redeemable convertible preference shares	**67,608**	-
		67,608	**654**
	Total borrowings	**76,728**	**77,835**

B9 Material Litigations

(a) Between Hong Leong Bank Berhad ("HLBB") (as Plaintiff) and Ireka Engineering & Construction Sdn Bhd ("IECSB") (in liquidation) (as First Defendant) and the Company (as Second Defendant)

On 15 February 2023, the Company was served with a writ of summons and statement of claim ("the Writ") by HLBB. HLBB's suit is premised on a banking facility provided by HLBB to IECSB upon its appointment by Regency Specialist Hospital Sdn Bhd ("RSH") as the main contractor for the main building works of 10-storey extension block of the Regency Specialist Hospital, Johor ("the Project"). The Company had provided a corporate guarantee in favour of HLBB as security for the repayment of the banking facilities.

When IECSB's employment under the Project was terminated by RSH, the Performance Bond issued by HLBB for IECSB was called by RSH. As a result of the calling, it was alleged that IECSB and the Company have defaulted in its obligations to make payments to HLBB as required.

Based on the writ, HLBB is claiming a total sum of RM6,453,571.90 under the Performance Bond and overdraft facilities.

During the hearing date on 10 January 2024, the Court decided to allow HLBB's application for summary judgment, dismissed the Company's counter-claim and ordered the Company to pay a total sum of RM6,453,571.90 together with interest which is calculated at the rate of between 1.0% and 3.5% per annum above the Base Lending Rate from 2 February 2023 until full settlement plus late payment interest at the rate of 1.0% per annum compounded monthly from 2 February 2023 until full settlement where applicable and cost of RM5,000.00.

Pursuant to the decision, the Company was then served with a winding up petition from HLBB on 1 July 2024. The hearing date for the petition was initially fixed on 11 September 2024. Since then, the hearing date has been adjourned four times from 11 September 2024 to 16 October 2024, 28 November 2024, 13 February 2025 and finally to 6 March 2025.

On 29 November 2024, HLBB agreed to a new settlement agreement, whereby the payment terms and manner were revised.

(b) Between AmBank (M) Berhad ("AmBank") (as Plaintiff) and IECSB (as First Defendant) and the Company (as Second Defendant)

On 24 March 2023, the Company was served with a writ of summons and statement of claim ("the Writ") by AmBank (M) Berhad ("AmBank"). AmBank had on 12 December 2007 granted IECSB a Revolving Contract Financing Line and Overdraft Facilities (collectively referred as the "Banking Facilities Offer") as general working capital. The Company had provided a corporate guarantee in favour of AmBank as security for the repayment of the above Banking Facilities Offer.

It was alleged that IECSB and the Company have defaulted in their obligations to make payments to AmBank as required by the Banking Facilities Offer.

B9 Material Litigations (continued)

(b) Between AmBank (M) Berhad ("AmBank") (as Plaintiff) and IECSB (as First Defendant) and the Company (as Second Defendant) (continued)

Based on the writ, AmBank is claiming against IECSB and the Company a total sum of RM4,235,627.57 on the outstanding revolving credit and overdraft facilities.

During the hearing date on 16 November 2023, the court decided to allow AmBank's application for Summary Judgment and ordered us to pay the following:

1. A sum of RM1,138,175.27 together with late payment interest at a rate of 4.0% per annum above the Plaintiff's Base Loan Rate (The Plaintiff's Base Loan Rate on 31 July 2023 is at a rate of 6.70% and is further subject to change at any time and from time to time at the absolute discretion of the Plaintiff) and to be calculated monthly from 1 August 2023 until the date of full settlement.
2. A sum of RM3,082,393.05 together with interest at the rate of 3.5% per annum above the Plaintiff's Base Loan Rate (The Plaintiff's Base Loan Rate on 31 July 2023 is at a rate of 6.70% and is further subject to change at any time and from time to time at the absolute discretion of the Plaintiff) to be calculated monthly from 1 August 2023 until the date of full settlement.

Pursuant to the judgment, the Company was then served with a winding up petition from AmBank on 8 January 2024. The hearing date for the petition was initially fixed on 17 April 2024. Since then, the hearing date has been adjourned four times from 17 April 2024 to 26 July 2024, 10 October 2024, 2 January 2025 and finally to 6 May 2025.

On 4 February 2025, AmBank agreed to a new settlement agreement, whereby the payment terms and manner were revised.

(c) Between RHB Bank Berhad ("RHB") (as Plaintiff) and the Company (as Defendant)

On 13 February 2024, the Company was served with a Writ of Summons and Statement of Claim ("the Writ") by RHB.

RHB had on 6 January 2015 and 18 April 2017, granted IECSB a Revolving Credit Facility ("Banking Facility Offer") of RM6,500,000 with a Corporate Guarantee executed on 12 September 2000 in favour of RHB as security for the repayment of the Banking Facility Offer.

On 28 June 2023, the Company entered into a settlement agreement with RHB whereby the Company undertakes to pay IECSB's outstanding amount under the Banking Facility Offer to RHB in stages. However, since the Company was unable to honour the settlement agreement, RHB decided to terminate the Settlement Agreement on 8 December 2023.

B9 Material Litigations (continued)

(c) Between RHB Bank Berhad ("RHB") (as Plaintiff) and the Company (as Defendant) (continued)

Thereafter, the Company has further proposed a revised scheduled payment to RHB on 22 December 2023. However, the proposed terms of repayment were rejected by RHB on 10 January 2024.

The Company then filed its Defence on 20 March 2024.

On 21 March 2024, RHB filed an application for summary judgment against the Company. An Affidavit in Reply was then filed by the Company on 4 April 2024, which was then replied by the Bank vide their Affidavit in Reply on 18 April 2024.

The decision on 1 July 2024 was in favour of RHB. The fair order from RHB was served on 2 August 2024.

On 18 February 2025, RHB agreed to a new settlement agreement, whereby the payment terms and manner were revised.

(d) Between One Industrial (M) Sdn Bhd ("OISB") (as Plaintiff) and Shoraka Construction Sdn Bhd ("SCSB") (as Defendant)

On 7 August 2023, SCSB, a wholly owned subsidiary of the Company was served with an Originating Summons ("OS") and Affidavit in Support by OISB. The OS is premised on 2 units of ASTA Project, which were purchased by OISB from IECSB. Contrary to a normal sale and purchase transaction, the 2 units were purchased by way of contra arrangement whereby in consideration of the 2 units being transferred to OISB, the outstanding amount owed by IECSB to OISB is offset against the amount owing and a 100% credit notes equivalent to the purchase price were issued to OISB. However, since the ASTA Project was taken over by SCSB via a Sale and Purchase Agreement dated 9 January 2023 ("SPA") and Power of Attorney dated 10 January 2023 duly registered in the High Court, SCSB has cancelled the credit notes and issued new credit and debit notes based on the actual progress billings.

Under the OS, OISB is seeking for, among others, declaration that the 100% credit notes were wrongly cancelled by SCSB and SCSB is holding the units on trust for OISB.

SCSB has filed and served its Affidavit in Reply on 7 September 2023 which thereafter was replied by OISB vide their Affidavit in Reply on 29 September 2023.

Vide a letter dated 5 October 2023, the liquidator of IECSB has invoked Section 528 of the Companies Act in declaring the SPA void and thus, the ASTA Project will fall back under the jurisdiction of IECSB. Premised on the same, SCSB thereafter filed an application to strike out the OS on 17 March 2024 together with an Affidavit in Support. OISB then filed and served their Affidavit in Reply on 26 March 2024, which was then replied by SCSB vide an Affidavit in Reply dated 22 April 2024.

B9 Material Litigations (continued)

(d) Between One Industrial (M) Sdn Bhd ("OISB") (as Plaintiff) and Shoraka Construction Sdn Bhd ("SCSB") (as Defendant) (continued)

During the hearing scheduled on 17 October 2024, the Court decided in favour of OISB and ordered as follows:

1. OISB's OS is allowed with costs of RM30,000 to be paid by SCSB; and
2. SCSB's striking out application is dismissed for costs of RM20,000 to be paid by SCSB

SCSB has on 15 November 2024 filed a Notice to Appeal to the Court of Appeal. The case is now fixed for hearing at the Court of Appeal on 18 May 2026.

(e) Between Ideal Land Holdings Sdn Bhd, Eccaz Sdn Bhd (as Plaintiffs) and United Time Development Sdn Bhd ("UTD"), Ireka Properties Sdn Bhd ("IPSB"), Meadowfield Sdn Bhd ("MSB"), Regal Variety Sdn Bhd ("RVSB"), the Company, and certain current and former directors (as Defendants)

On 22 November 2023, the Company and its subsidiaries which are UTD, IPSB MSB and RVSB ("Buyback Subsidiaries") along with certain former and current directors were served with a writ summons and statement of claim ("the Writ") from Ideal Land Holdings Sdn Bhd and Eccaz Sdn Bhd ("the Plaintiffs").

The Writ is premised on the following cause of actions:

a) Failure of the Company to repay the advances made by the Plaintiff's to the Company and the Buyback Subsidiaries amounting to RM16,575,356.26. The advancements were allegedly made by the Plaintiff during the negotiating period between 5 July 2021 to 31 August 2022 for among others, the construction of projects, payments to financial institutions, working capital, staff salaries and administration cost; and
b) Failure of the current and former directors to procure the Company to enter into an agreement for Ideal Land Holdings Sdn Bhd to acquire back the Buyback Subsidiaries, in breach of their undertaking under the previous Share Sale Agreement of the Company.

The Defendants filed its Defence on 29 January 2024. The Plaintiffs then filed their Reply to Defence on 1 March 2024.

The Plaintiffs have also filed a summary judgment application against UTD, IPSB, MSB and RVSB, which was dismissed by the Court during the hearing held on 16 April 2024.

The trial commenced and was conducted on 21 April 2025 and 28 April 2025, with the remaining trial dates fixed on 27 February 2026, 16 June 2026 and 10 July 2026.

B9 Material Litigations (continued)

(f) Between Leow Peng Seong (as Plaintiff) and United Time Development Sdn Bhd ("UTD") (as Defendant)

On 6 May 2024, UTD, a wholly owned subsidiary of the Company, was served with a copy of Originating Summons ("OS") by Leow Peng Seong ("the Plaintiff").

The Plaintiff is a director of Quality Parts Sdn Bhd ("QPSB"), a supplier of IECSB, a wholly owned subsidiary of the Company which is currently under liquidation. Between 2018 to 2021, QPSB sold and delivered goods to IECSB and there was an outstanding amount owing by IECSB to QPSB ("Principal Outstanding Sum").

The OS is premised on one unit of service apartment ("the Property") at KaMi Mont' Kiara, which was purchased by the Plaintiff by way of contra arrangement whereby the purchase price of the Property amounting to RM1,680,000 was fully offset by the Principal Outstanding Sum owed by IECSB to QPSB. IECSB then undertook to successively pay the stage progress billing of the Property to UTD, the developer of KaMi Mont' Kiara as and when they become due.

However, since IECSB was placed into a creditors' voluntary winding up on 11 May 2023, UTD had requested the Plaintiff to directly settle the remaining stage progress billing amounts, taking into consideration that IECSB is no longer in a position to make the required payment to UTD. The subsequent failure by the Plaintiff to adhere to the payment request resulted in the termination of the SPA, which consequently prompted the commencement of the OS.

Under the OS, the Plaintiff is seeking from court, among others, the following reliefs:

1. A declaration that the termination of the SPA by UTD is invalid and ineffective;
2. A declaration that the SPA is still valid and enforceable; and
3. An order from court enforcing UTD to perform the terms and conditions of the SPA.

Subsequently, the Plaintiff applied to Court to convert the OS into a writ summons. The parties have respectively filed their statement of claim and defence to the Court. The matter is now fixed for trial from 5 October 2026 to 7 October 2026.

B9 Material Litigations (continued)

(g) Between former directors and employees (as Plaintiff) and Ireka Properties Sdn Bhd ("IPSB") (as Plaintiffs) and the Company (as Defendant)

On 27 June 2024, the Company and its wholly owned subsidiary, IPSB were each served with a copy of Writ of Summons and Statement of Claims ("the Suits") filed by former directors and former employees ("the Plaintiffs) of the Company and IPSB respectively.

The Suits are premised on, among others, payment of the Plaintiffs' alleged salaries, allowances, bonuses, retirement benefits and directors' fees for the period of 2017 to 2021 ("Claims Period").

During the Claims Period, the Company and IPSB were run and controlled by the previous management team, which includes some of the Plaintiffs in the Suits.

The total amount of claim by the Plaintiffs against the Company is RM11,270,330.40 and the total amount of claim by the Plaintiffs against IPSB is RM270,185.35.

On 8 August 2024, the Defendants filed its Defence and Counter-Claim, which was replied by the Plaintiffs on 5 September 2024.

The Plaintiffs then filed an application for Summary Judgment on 5 September 2024, which was replied by the Defendants on 3 October 2024. During the hearing date held on 4 December 2024, the Court dismissed the Plaintiffs' Summary Judgment.

Trial dates have been fixed from 5 March 2029 until 9 March 2029 and 12 March 2029.

B10 Dividend Proposed

No dividend was proposed during the quarter under review.

B11 Profit/(Loss) per Share

	Individual Quarter		Cumulative Period	
RM'000	**3 Months Ended 31.12.2025**	**3 Months Ended 31.12.2024**	**6 Months Ended 31.12.2025**	**6 Months Ended 31.12.2024**
Basic				
Profit/(Loss) for the period attributable to owners of the Company	**43**	**(3,322)**	**236**	**(6,876)**
Weighted average number of ordinary shares	**211,943,803**	**211,943,803**	**211,943,803**	**211,943,803**
Basic profit/(loss) per share (sen)	0.02	(1.57)	0.11	(3.24)

By Order of the Board
IREKA CORPORATION BERHAD
DAUD BIN A MAJEED
Company Secretary
Kuala Lumpur
27 February 2026