



Reg. Trademark No. 85/B03843

SKB SHUTTERS CORPORATION BERHAD

199701014865 (430362-U)



**WHERE
ENVIRONMENT
MEETS**


Excellence


Annual Report
2025


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28th Annual General Meeting

 24 November 2025
(Monday)

 2:00 p.m.

 The Olive, Level 6,
Olive Tree Hotel Penang,
76, Jalan Mahsuri,
Bandar Sunway Tunas,
11950 Bayan Lepas,
Penang, Malaysia.

Management Discussion and Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

SKB Shutters Corporation Berhad specializes in manufacturing of roller shutters, steel doors and storage and handling system and is listed on the Main Market of Bursa Malaysia Securities Berhad since 28 March 2001. SKB Shutters Manufacturing Sdn. Bhd. and SKB Storage Industries Sdn. Bhd. are main subsidiaries of the Group.

Following the Group's listing on the stock exchange, its main objective has led to the expansion in its regional coverage, product innovation, manufacturing capability and capacity. The Group strives to achieve the vision of being recognized as the largest roller shutter and storage system manufacturer in South East Asia.

For the financial year ending 2025, the Group's mission is to be the preferred supplier of roller shutters, steel doors and storage system products in the industry. In enhancing shareholder's value, the Group is committed in providing the well-engineered, thoroughly designed products for security, safety and reliable solutions. The aim to continuously exceed customers' expectations with satisfactory service and delivery as well as innovating useful, functional and high performance product is integral in achieving these goals.

The Group also emphasizes on succession planning in its respective integral divisions to ensure learning, leading and succession opportunities are identified for group-wide employees to excel and be rewarded.

Over the past year, eager research and development efforts have been deployed with product testing for roller shutters, metal doors and racking systems carried out for both R&D and regulatory testing purposes. This includes the all-new powerless flood shutters, extended length and S5 shelving systems and oversized fire-rated metal doors. The Group is positively expecting these products to contribute to competitive edge in specific industries and bring about increased exposure to wider range of projects segments locally and internationally.

PERFORMANCE OF THE GROUP FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

	FYE 30 June 2025 RM'000	FYE 30 June 2024 RM'000	Changes (%)
Revenue	137,702	115,731	18.98
Result From Operating Activities	35,283	23,494	50.18
Interest Income	1,984	1,059	87.35
Interest Expense	(2,592)	(2,569)	0.90
Profit before Tax	34,675	21,984	57.73
Tax Expense	(8,876)	(5,615)	58.08
Profit after Tax	25,799	16,369	57.61
Basic Earnings Per Ordinary Share (sen)	16.06	12.40	

FINANCIAL RESULTS

The Group's revenue grow from RM115.731 million in FYE 30 June 2024 to RM137.702 million in FYE 30 June 2025, representing an 18.98% improvement. The growth is substantiated by the positive growth in the domestic construction sector.

The Group also recorded a 57.73% increase in profit before tax from RM21.984 million in the previous financial year to RM34.675 million. The significant improvement is in line with the Group's on-going initiatives to improve production capacity and achieving higher manufacturing efficiency. The Group continues to innovate new products and offer customized solution in expanding our market outreach, both domestically and globally.

With improved earnings, the Group's financial position was further strengthened with total equity increased to RM178.109 million as at 30 June 2025. The Group's total asset for FYE 2025 had increased to RM311.263 million from RM248.348 million in FYE 2024

Management Discussion and Analysis

REVIEW OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

Business Operations

The financial year ended 30 June 2025 was marked by continued innovation and product development, strengthening the Group's position in both domestic and international markets. With a sharpened focus on safety, sustainability, and resilience, the Group achieved several key milestones that underscore our commitment to delivering industry-leading solutions across the construction, logistics, and industrial sectors.

ISO 14001 and ISO 45001 Certified

In 2025, the Group has obtained certification for both ISO 14001 (Environmental Management) and ISO 45001 (Occupational Health and Safety Management), adding to our existing ISO 9001 Quality Management certification. Together, these certifications represent an integrated management system that reflects our dedication to sustainability, workplace safety, and consistent product excellence. This achievement further reinforces our ability to meet the stringent requirements of global markets.

First 4-Hour Fire-Rated Door In the Market

The Group successfully tested the world's first 4-Hour Fire-Rated Door, marking a breakthrough that demonstrates our commitment to setting new benchmarks in safety and compliance. This innovation not only enhances fire protection standards but also positions SKB at the forefront of delivering life-protecting solutions in high-risk environments.

Extra Large Fire-Rated Door

Conforming to MS:1073 standards, SKB successfully tested Malaysia's largest Metal Fire-Rated Door. This achievement highlights our capability to cater to the growing industrial and commercial demand for large-scale fire-rated solutions, underscoring our ongoing commitment to safety, compliance and engineering excellence in larger structural applications.

SKB Racking Complies with European Standards

Our storage systems now adhere to the European Standard BS EN 15512:2020+A1:2022, marking a significant milestone for the group as we expand our market reach to the European region. With the increasing emphasis on occupational safety and health across industries, demand for robust racking systems that meet international standards is expected to grow. This positions the Group to effectively serve to these emerging needs with reliable, compliant, and high-quality solutions.

Powerless Flood Shutter Conforms to British Standards

Building on the recognition received through the Archidex Star Award in 2023, SKB's Powerless Flood Shutter was successfully tested to BS 851188-1:2019+A1:2021 under the supervision of TÜV SÜD and SIRIM. This accomplishment reflects our dedication to developing innovative solutions that safeguard lives and assets against the growing threats of extreme weather events in a changing climate.

BUSINESS RISKS

The key risks that the Group currently faces in its business operations include among others market competition and escalation of costs – including manufacturing costs arising from raw material and operating expenses. The management of the material key risks are as below:

- **Rising manufacturing costs**

The volatility in the raw material prices and the implementation of new labour policies places an upward pressure on the overall operating expenses. The Group remains focused on managing these volatilities prudently while ensuring business continuity and stability in the demand–supply balance. Continuous efforts are undertaken to strengthen cost efficiency through process optimisation, productivity improvements, and strategic sourcing to mitigate potential impacts on sales and profitability.

- **Foreign currency risk**

The Group's operations are subject to foreign currency fluctuations arising from sales and purchases denominated in non-functional currencies. Volatility in the MYR against foreign currencies, poses a potential impact on the Group's margins and financial performance.

Management Discussion and Analysis

BUSINESS RISKS (continued)

- **Market competition**

Intensifying competition within the industry may adversely affect the Group's customer growth, revenue, and profitability. To mitigate this risk, the Group continuously enhances customer engagement strategies to better understand and meet customer expectations, while strengthening value creation in customer relationships. In addition, the Group is expanding its customer base and increasing its presence in export markets to reinforce its position as one of the leading players in the industry. The Group's strategy to address competition risk includes sustained investment in product innovation and development, enabling the introduction of new, value-added solutions that enhance customer satisfaction and reinforce its market leadership.

The Group will continue to monitor the price fluctuations of input costs and exercise prudence to ensure stability of our finances and business operations.

FORWARD LOOKING STATEMENT

The Group anticipates softer demand for its products amid the slowdown in both domestic and global economic conditions. In response, the Group remains vigilant and resilient in managing rising costs, including raw materials and manufacturing overheads. Given the uncertain market sentiment in the building and construction sector, the Group continues to adopt a cautious approach while staying adaptable to evolving economic conditions in both local and export markets.

In line with the growing emphasis on sustainability, the Group is advancing its ESG initiatives, which are expected to bring long-term benefits to the building and construction industry.

To navigate the challenging and uncertain business environment, the Group's strategic initiatives are focused on:

- Enhancing internal competencies;
- Expanding and strengthening its core businesses; and
- Transforming the organization to be more adaptive and responsive to its operating environment.

The Group also continues to position itself as a *total solutions provider*, moving beyond its traditional role as a manufacturer and supplier. Through the integration of automation and the introduction of complementary products—either under the Group's umbrella or in collaboration with industry experts—clients are offered comprehensive and cohesive solutions without the need to consolidate multiple systems or components from different providers.

Corporate Structure



SKB SHUTTERS CORPORATION BERHAD

Registration No.: 199701014865 (430362-U)

INVESTMENT HOLDING

100%

SKB Shutters Manufacturing Sdn. Bhd.

Registration No.: 197701001003 (31982-W)

Manufacture and sale of roller shutters, racking systems, storage system and related steel products

100%

SKB Storage Industries Sdn. Bhd.

Registration No.: 200101022164 (557922-U)

Manufacture and sale of roller shutters, racking systems, storage system and related steel products

100%

SKB Shutters (S) Pte. Ltd.

Registration No.: 200909146H

Trading of roller shutters, racking systems and storage systems

Corporate INFORMATION

Board of Directors

Sin Kheng Lee
Executive Chairman

Sin Siew Huey
Group Managing Director

Sin Ching San
Executive Director

Chou Lee Sin
Executive Director

Sin Tze Yi
Executive Director

Ng Swee Weng
Independent Non-Executive Director

Amnah Apasra Emir Binti Moehamad Izat Emir
Independent Non-Executive Director

Ir Yeoh Yen Shiong
Independent Non-Executive Director

Company Secretary

Chin Lee Phing
(SSM PC No.: 202008000049)
(MAICSA 7057836)

Registered Office

Lot 22, Jalan Teknologi
Taman Sains Selangor 1
Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Tel. no.: 603-6157 2277
Fax no.: 603-6157 2211

Principal Bankers

- Malayan Banking Berhad
Registration No.: 196001000142 (3813-K)
- Ambank (M) Berhad
Registration No.: 196901000166 (8515-D)
- Hong Leong Bank Berhad
Registration No.: 193401000023 (97141-X)

Audit Committee

- Ng Swee Weng
(Chairman)
- Amnah Apasra Emir Binti Moehamad Izat Emir
(Member)
- Ir Yeoh Yen Shiong
(Member)

Nominating Committee

- Ir Yeoh Yen Shiong
(Chairman)
- Ng Swee Weng
(Member)
- Amnah Apasra Emir Binti Moehamad Izat Emir
(Member)

Remuneration Committee

- Amnah Apasra Emir Binti Moehamad Izat Emir
(Chairman)
- Ng Swee Weng
(Member)
- Ir Yeoh Yen Shiong
(Member)

Registrar

Plantation Agencies Sdn Berhad
(Reg. No. 195501000033 (2603-D))
3rd Floor, 2 Lebuhr Pantai,
10300 Georgetown, Pulau Pinang, Malaysia.
Tel: 04 - 262 5333
Fax: 04 - 262 2018
Email: sharereg@plantationagencies.com.my

Auditors

KPMG PLT (Firm No. LLP0010081-LCA & AF 0758)
Chartered Accountants
Level 18, Hunza Tower
163E, Jalan Kelawei
10250 Penang

Principal Place of Business

Lot 22, Jalan Teknologi
Taman Sains Selangor 1
Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Website: www.skb-shutters.com
Tel. no.: 603-6157 2277
Fax no.: 603-6157 2211

Stock Exchange Listing

Main Market of Bursa Malaysia Securities Berhad
("Bursa Securities")

Directors' Profile / Key Senior Management



Age

68

Gender

Male

Mr Sin Kheng Lee was appointed to the Board of SKB on 10 February 2001. He holds a Diploma in Mechanical Engineering in 1979 from the Taipei Institute of Technology in Taiwan. Upon graduation, he started his career with Sin Kean Boon Industries Sdn. Bhd. for 13 years until his resignation in May 1992. During his tenure in the company, he was the Director-in-charge of the Kuala Lumpur branch from the year 1982 till May 1992.

He subsequently pursued his career in manufacturing roller shutters where he was appointed Managing Director of SKB Shutters Manufacturing Sdn. Bhd. ("SKBM") on the 25 June 1992 and SKB Storage Industries Sdn. Bhd. ("STO") on 4 September 2001 respectively. He is currently responsible for the overall developments of products and businesses in SKBM and STO, including overseeing manufacturing, administrative and operating functions of the Group. With his vast experience of more than 40 years in the roller shutters industry, he has successfully brought about the rapid expansion, modernization and diversification of the Group's manufacturing activities, hence provided the necessary guidance and contribution towards management activities of the Group. He also sits on the Board of all subsidiaries of SKB and several other private companies.

He was appointed as a committee member of the Malaysia Fire Protection Association from 2009 till 2011. Mr Sin was awarded Successful CEOs by BrandLaureate Brandpreneur Award in 2016, Most Outstanding Alumni by the National Taiwan University of Technology in 2017 and 2019, the Modal Entrepreneur Award from the National Innovation and Entrepreneurship Association, R.O.C. (Taiwan) in 2022.



Age

43

Gender

Female

Ms Sin Siew Huey was appointed to the Board on 15 July 2009. She graduated from Swinburne University of Technology in Melbourne with a Master in Accounting in 2005 and Bachelor in Business, majoring in Economics and Finance from RMIT University in 2004. Upon graduation, she started her career in KPMG Malaysia as an Auditor in the field of banking and finance, and Corporate Finance much later. She is a member of the CPA Australia. She is responsible for the overall administration and financial matters of SKB Group. She also sits on the Board of all subsidiaries of SKB and several other private companies. In 2019, Ms Sin is appointed as Committee Member of the Malaysian Fire Protection Association.



Age

57

Gender

Male

Mr Sin Ching San was appointed to the Board of SKB on 10 February 2001. He began his career shortly after completing his secondary education and Diploma studies in Taiwan. He has over 30 years of experience and exposure in the roller shutters and steel-work industry. He was appointed to the Board of SKBM on 25 June 1992. He also sits on Board of a few subsidiaries of SKB and several other private companies. He heads the Research and Development Department of the Group, whereby his responsibilities include improvement of productivities and quality of roller shutters and other related steel-work products through innovation.

Directors' Profile / Key Senior Management



Age

66

Gender

Female

Ms Chou Lee Sin was appointed to the Board of SKB on 10 February 2001. She obtained a Diploma in Synthetic Commerce from Taipei, Taiwan. She started her career in Malaysia in 1982 whereby she was attached to Sin Kean Boon Metal Industries Sdn. Bhd.. She was stationed in the Kuala Lumpur branch office and was responsible for the overall administration and financial matters. In May 1992 she joined SKBM as the General Manager and was subsequently appointed as a Director of SKBM on 26 June 1997. With her experience of over 40 years in the roller shutters and steel-work industry, Ms Chou oversees administration and financial matters within the Group. She also sits on the Board of a few subsidiaries of SKB and several other private companies. Ms Chou was awarded Outstanding Business Women in Malaysia by China Press in 2018.



Age

38

Gender

Female

Ms Sin Tze Yi was appointed to the Board on 29 February 2016. She resigned on 28 November 2017 and was re-appointed on 4 December 2017. A Master of Applied Finance graduate of Monash University Melbourne, Ms Sin also holds a Bachelor of Commerce (Accounting & Finance) degree from University of Melbourne. A member of CPA Australia, she began her career at KPMG Consulting in Financial Risk Management specialising in operational risk in the banking and finance sector. She is responsible for the overall business development of SKB Group. She also sits on the Board of all subsidiaries of SKB and several other private companies.



Age

68

Gender

Male

Mr Ng Swee Weng was appointed to the Board on 2 March 2021. He is also the Chairman of Audit Committee and member of Nominating Committee and Remuneration Committee.

He was articulated with KPMG in 1977 and qualified as a member of the Malaysian Institute of Certified Public Accountants (MICPA) in 1981. He is also member of the Malaysian Institute of Accountants (MIA) and CPA Australia.

Mr Ng Swee Weng is currently a Senior Advisor at BDO Tax Services Sdn Bhd ("BDO"). Prior to joining BDO, he was an Audit Partner at KPMG Malaysia for 23 years before he retired in 2012 as the Partner in charge of the Penang office. He was also formerly a member of KPMG's Audit and Accounting Committee, which provided directives and consultative support on technical issues. Mr Ng was also a former Project Director of the Malaysian Accounting Standards Board.

He has experience in providing Goods & Services Tax ("GST") advice to companies ranging from small-to-medium enterprises (SMEs) to large publicly listed entities, particularly those entities operating in the property development and construction industries. By combining years of risk management experience with his GST knowledge, he is able to provide tailored advice to clients regarding a broad range of technical GST issues.

He also has extensive experience in coordinating and managing complex assurance assignments in the palm oil and plantation, manufacturing, trading, construction and property development industries. He is an experienced reporting accountant who has worked on numerous due diligence exercises and has been the reporting accountant for many Initial Public Offerings and Bond/Rights Issues.

Mr Ng Swee Weng is also an Independent Non-Executive Director, Chairman of Audit Committee and Nomination Committee, and Member of Remuneration Committee of BM Greentech Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

Directors' Profile / Key Senior Management



Amnah Apasra Emir Binti Moehamad Izat Emir

Independent Non-Executive Director

Age

60

Gender

Female

Puan Amna A Emir was appointed to the Board of SKB on 15 July 2022. She is the Chairman of the Remuneration Committee and member of Audit Committee and Nominating Committee.

She is a qualified architect from the Architectural Association School of Architecture, London, UK, with 33 years of experience in the architectural and real estate development industry.

She is an honorary advisor to the Malaysian Structural Steel Association, having retired as its honorary secretary-general after 23 years of service in promoting the use of constructional steel.

Amna is CEO of Neuformation Architects Sdn Bhd, a company specializing in Transport Architecture, Urban Regeneration and Green Buildings. Amna has been responsible for projects of diverse architectural typologies and complexities with the recent completion of a GBI Platinum rated headquarters for Tenaga Nasional Bhd which received the PAM Gold Award 2023 for Commercial Highrise. Amna has provided strategic advice to government-linked companies in the area of urban regeneration on localities ranging from greenfield to brownfield, with roles to include lead consultant for Khazanah Penang in the preparation of the Georgetown Transformation Plan and Komtar Business Improvement District Scheme (BIDS) for Think City. Amna is on Think City's Advisory Panel providing independent, technical reviews for grant applications.

The key principles in Amna's design approach is Adaptability and Innovation in response to the changing dynamics of the social, cultural, political and environmental landscape.

Amna has served as external lecturer for University Southern California Summer Schools and industry Expert for University Malaya and University Technology Petronas as well as external juror on Crit Panels for both public and private institutions such as USM, UPM, UKM & UITM, Taylors University and Limkokwing University of Creative Technology, amongst others. Amna is on the Faculty of Science and Engineering's External Advisory Panel (FEAP) for University of Nottingham Malaysia.



Yeoh Yen Shiong

Independent Non-Executive Director

Age

37

Gender

Male

Ir. Yeoh Yen Shiong was appointed to the Board on 1 December, 2022. He is Chairman of the Nominating Committee and member of the Audit Committee and Remuneration Committee.

He is a Professional Engineer registered with the Board of Engineers, Malaysia (BEM) and has extensive experience in the building and construction industry, having delivered a multitude of iconic and sustainable buildings in the region. He is also a Green Building Index Facilitator (GBIF), Certified Energy Manager (CEM) and ASEAN Chartered Professional Engineer (ACPE).

He presently leads GH Consultants Sdn Bhd, an established Engineering Consultancy Practice specializing in climate-conscious MEP design solutions for buildings across various sectors from commercial to healthcare.

Notes:

All the Directors are Malaysian except for Chou Lee Sin who is a Taiwanese.

None of the Directors has any conflict of interest with SKB, or any personal interest in any business arrangement involving SKB other than as disclosed in the Directors' Report and Notes to the Financial Statements.

None of the Directors had been convicted for any offences within the past 5 years (except for traffic offences, if any) and have no public sanction or penalty imposed by the relevant regulatory bodies during the financial year under review.

Details of the Directors' attendance at Board meetings for the financial year ended 30 June 2025 are set out in the Corporate Governance Overview Statement of this Annual Report.

None of the Directors has any family relationship with any Director and/or major shareholder of SKB other than:

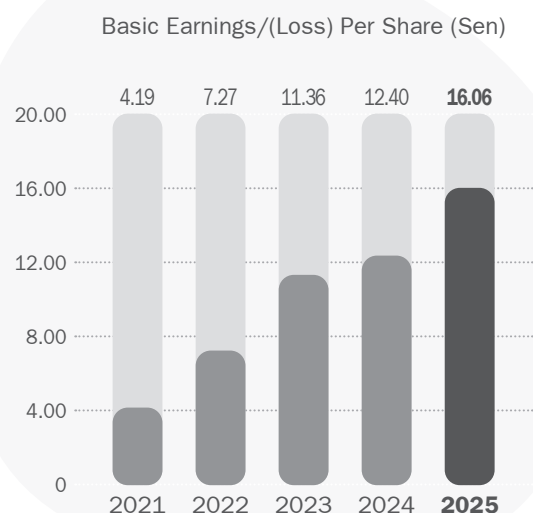
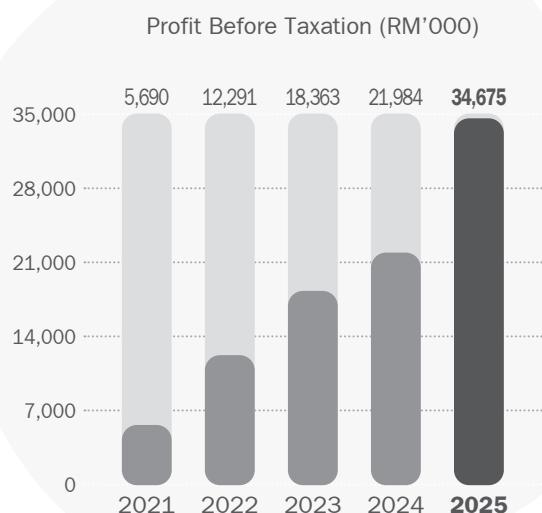
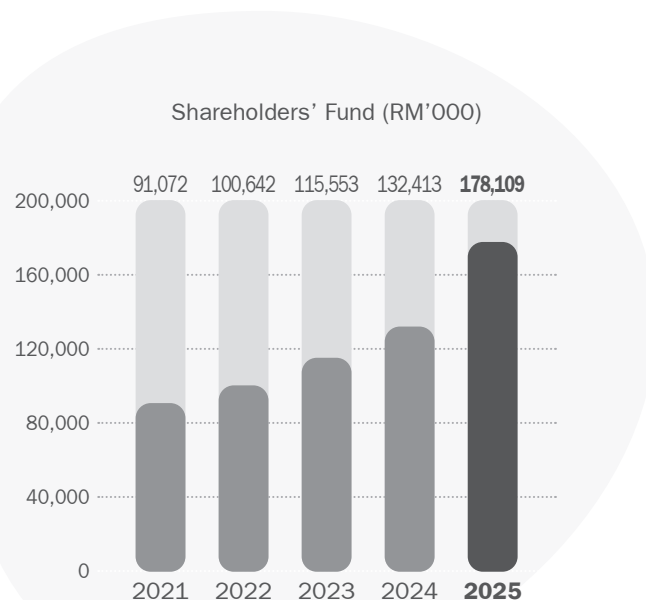
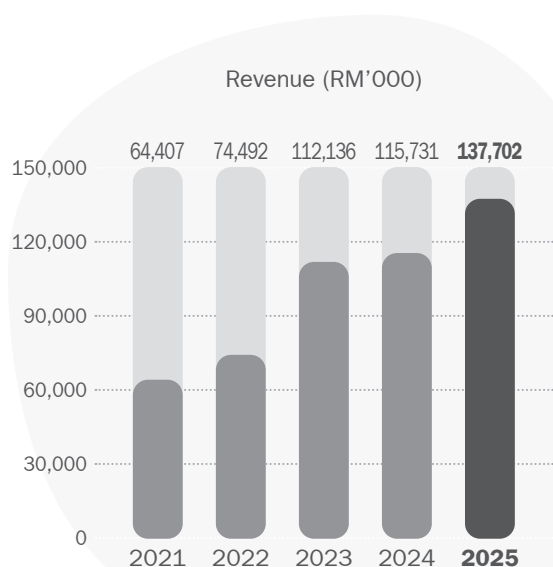
- Chou Lee Sin is the spouse of Sin Kheng Lee whilst Sin Ching San and Sin Kheng Lee are brothers.
- Sin Kheng Lee and Sin Ching San have interest in SKB Glory Sdn. Bhd., a substantial shareholder of SKB.
- Sin Siew Huey and Sin Tze Yi are the daughters of Sin Kheng Lee and Chou Lee Sin.

None of the Directors has any other directorship in public companies except Mr Ng Swee Weng whose directorships has been shown as above.

Financial Highlights

	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000
Revenue	64,407	74,492	112,136	115,731	137,702
Profit Before Taxation	5,690	12,291	18,363	21,984	34,675
Profit After Taxation	5,024	9,596	14,995	16,369	25,799
Shareholders' Fund	91,072	100,642	115,553	132,413	178,109
Basic Earnings/(Loss) Per Share (Sen)	4.19*	7.27	11.36	12.40	16.06
Net Assets Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	0.69*	0.76	0.88	0.99	0.92

* Earnings per share and Net assets per share for FY2021 has been adjusted to reflect the effect of bonus issue of two (2) bonus shares for every one (1) existing ordinary share held which was completed on 5 January 2022.



Corporate Governance Overview Statement

This Corporate Governance (“CG”) Overview Statement is presented in accordance with the requirements under Paragraph 15.25(1) and the provisions in Practice Note 9 of the Main Market Listing Requirement (“MMLR”). The Statement highlights the applications of the key corporate governance practices of the Group during the financial year under the principles of (a) Board Leadership and Effectiveness; (b) Effective Audit and Risk Management; as well as (c) Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

The Board has also provided specific disclosures on the application of each Practice in its Corporate Governance Report (“CG Report”). Shareholders may obtain the CG Report in the News and Announcements section of the Investor Relations page at the Company’s website at www.skb-shutters.com for further details.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

(I) BOARD COMPOSITION

During the financial year, the Board continues maintaining its eight (8) members comprising an Executive Chairman, one (1) Group Managing Director, three (3) Executive Directors, and three (3) Independent Non-Executive Directors.

The Executive Chairman and Executive Directors are primarily accountable for managing the Group’s business operations. In contrast, the Non-Executive and Independent Directors offer oversight and independent judgment and perspectives in the board deliberations and decision-making processes.

In discharging these responsibilities, the Board has:

- i Reviewed the strategic objectives, business direction and the focused areas of the Group, and their progress and resource needs;
- ii Conducted periodic reviews of the interim and annual financial results and ensured that the financial statements of the Company and Group are fairly stated and conformed to the relevant regulations and the acceptable accounting policies;
- iii Ensured the Group’s financial position supports the business expansion;
- iv Defined its Charter and Schedule of Key Matters setting out the roles, duties, responsibilities and authority of the Board, the principles and practices of corporate governance to be followed;
- v Established Board Committees to assist the Board in overseeing agendas under their respective terms of reference, and reporting to the Board with their recommendations;
- vi Observed the regulatory requirements when disseminating information and making disclosures in consultation with the Company Secretary;
- vii Ensured the implementation of Group anti-corruption and bribery framework, Code of Conduct and Ethics and Whistleblowing Policy;
- viii Obtained assurance that an appropriate and adequate risk management and internal control systems are in place; and
- ix Defined and implemented the Fit and Proper Policy outlining the Director’s character, integrity, experience, competence, and commitment criteria to discharge their roles effectively.

The roles of Board Chairman and CEO are currently held by the same director. This enables the expectations of the Board and management to be aligned.

To ensure the balance of oversight and executive power, the Board has established various Board Committees comprising solely the Independent Directors to scrutinise the management performance and the board proceedings.

Annually, the Nominating Committee reviews the board composition to ensure the presence of reasonable checks and balances within the Board.

When identifying suitably qualified candidates for appointment of Director, the Board will consider both internal and independent sources to identify suitably qualified candidates. During the financial year, no new Director was appointed.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(I) BOARD COMPOSITION (continued)

The current composition of the Board includes members with diverse skills, experience, age, and cultural backgrounds. Half of the Board members are female directors. The director profiles are presented on pages 7 to 9 of this Annual Report.

All Independent Directors completed a self-evaluation after each financial year, affirming their alignment with the independence criteria detailed in Chapter 1 of the MMLR and will continuously provide independent oversight, perspectives and judgement to the Board.

All Board members have unrestricted access to the advice and services of the Company Secretary for the conduct of board proceedings and business. The appointment and removal of the Company Secretary of the Board is the prerogative of the Board as a whole.

The Board is assisted by a qualified and competent Company Secretary who is an Associate member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA). The Company Secretary supports the Board in carrying out its fiduciary duties and stewardship role and plays an advisory role to the Board, particularly with regard to regulatory compliance, guidelines, legislations and governance practices. The Company Secretary is responsible for ensuring that Board procedures are followed, the applicable rules and regulations for the conduct of the affairs of the Board are complied with, and minutes are duly entered into the books for all resolutions and proceedings of the Board and Board Committees.

The Company Secretary and management ensure that the Board is given sufficient information and time to prepare for Board meetings. When external advice is necessary, Board Members may notify and seek the Board for approval.

The underlying factors of Directors' commitment to the Group are the devotion of time and continuous improvement of knowledge and skill sets. The Board meets at least every quarter and as required to carry out their responsibilities. Matters requiring Board decisions during the intervals between the Board meetings are circulated and approved through circular resolutions.

During the financial year, 4 Board meetings were held. The attendance of the existing Directors is as follows:

Directors	No. of meetings attended by Directors
Sin Kheng Lee (Executive Chairman)	4
Sin Siew Huey (Group Managing Director)	4
Sin Ching San (Executive Director)	4
Chou Lee Sin (Executive Director)	4
Sin Tze Yi (Executive Director)	4
Ng Swee Weng (Independent Non-Executive Director)	4
Amnah Apasra Emir Binti Moehamad Izat Emir (Independent Non-Executive Director)	4
Ir Yeoh Yen Shiong (Independent Non-Executive Director)	4

The following are the trainings and briefings attended by Board members during the financial year.

Training	Attended by
Hospital Design Health Planning Facility Workshop	Amnah Apasra Emir Binti Moehamad Izat Emir (Independent Non-Executive Director)
E-Invoicing Engineering Consultancy Practices in Malaysia	Ir Yeoh Yen Shiong (Independent Non-Executive Director)
5 th International Fire Conference & Exhibition Malaysia (IFCEM) 2024	Ir Yeoh Yen Shiong (Independent Non-Executive Director) Sin Siew Huey (Group Managing Director/Chief Financial Officer) Sin Tze Yi (Executive Director) Sin Kheng Lee (Executive Chairman) Chou Lee Sin (Executive Director) Sin Ching San (Executive Director)

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(I) BOARD COMPOSITION (continued)

Training	Attended by
Seminar on Protection Relay, Power Quality Monitoring and Power Factor Compensation	Ir Yeoh Yen Shiong (Independent Non-Executive Director)
Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Ng Swee Weng (Independent Non-Executive Director)
ARCHIDEX - Shaping the Future of Architecture and Design. Leading Architecture, Interior Design, and Building Exhibition	Sin Siew Huey (Group Managing Director/Chief Financial Officer) Sin Tze Yi (Executive Director) Sin Kheng Lee (Executive Chairman) Chou Lee Sin (Executive Director) Sin Ching San (Executive Director)
Seminar Badan Peneraju Industri (ILB) Bidang Kebompaan 2025	Ir Yeoh Yen Shiong (Independent Non-Executive Director)
Industry Exposure: Machine Tools, Metalworking, and Automation Technology	Sin Ching San (Executive Director)
MIA International Accountants Conference 2025 – Collaborative Leadership for a Sustainable Future	Ng Swee Weng (Independent Non-Executive Director)
Industry Exposure: Architecture, Real Estate, and Manufacturing	Sin Ching San (Executive Director)
Industry Exposure: Trade Show for Sun Shading Systems, Doors, Gates, and Smart Home Automation	Sin Ching San (Executive Director)
KPMG Review of Goods for Sales Tax and Expansion of Scope for Service Tax	Sin Siew Huey (Group Managing Director/Chief Financial Officer)

The Company Secretary, External Auditor, and Internal Auditor update the Board on new developments and changes to governance, sustainability, regulatory and financial reporting requirements.

(II) BOARD AUTHORITY AND BOARD COMMITTEES

The Board has defined its Board Charter, which outlines the Board's roles, duties, and responsibilities, as well as the principles and practices of corporate governance to be followed, and the key matters reserved for the Board's approval.

To assist the Board in discharging its function, the Board has delegated specific oversight responsibilities to the Audit Committee, Nominating Committee and Remuneration Committee. These Committees provide greater objectivity and independence in the deliberations of specific agendas. The respective Chairpersons of these Board Committees report and recommend to the Board on matters discussed and require the Board's approval.

The Board has defined the Corporate Code of Conduct and Ethics and posted it on the Corporate Governance section of the Investor Relations page on the Company's website at www.skb-shutters.com. This Code guides directors, officers, and staff in preventing the abuse of power, corruption, conflict of interest, insider trading, and money laundering.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(III) CORPORATE CULTURE: INTEGRITY, TRANSPARENCY AND FAIRNESS

To protect the confidentiality of information and the identity of whistleblowers, the Board has assigned the whistleblowing reporting channel and administration to the Internal Auditor. Stakeholders who know of or suspect a violation of the Code of Conduct and Ethics may report the incident to the Audit Committee Chairman by emailing skb@whistleblower.com.my or by posting to PO Box #911, L2-08, Level 2, Cheras Leisure Mall, Jalan Manis 6, Taman Segar, 56100 Kuala Lumpur. The Internal Auditor reports quarterly to the Audit Committee on complaints received through the whistleblowing channel, if any.

During the financial period, the Board did not receive complaints from whistleblower.

(IV) SUSTAINABILITY

The Group integrate sustainability into its product strategy and innovation, enabling the Group to position itself as an innovative and sustainable building materials company. Its core sustainability values, initiatives and performance are communicated to all stakeholders through the Sustainability Statements in the Annual Report. Internally, sustainability-related communication occurs within the Sustainability Management Committee. The Committee plans to set the sustainability targets and report to the Board in the second half of the 2026 financial year.

(V) NOMINATING COMMITTEE AND BOARD'S PERFORMANCE ASSESSMENT

The Nominating Committee ("NC") comprises 3 members, all of whom are Independent Non-Executive Directors. The present composition of the Nominating Committee is as follows:

Chairman : Ir Yeoh Yen Shiong
Member : Ng Swee Weng
 Amnah Apasra Emir Binti Moehamad Izat Emir

The Terms of Reference for NC are available at the Company's website www.skb-shutters.com.

The NC meets as needed and at least once a year. During the financial year under review, the NC met on 20 September 2024 and was attended by all members of the Board Committee.

The activities undertaken by the NC for the financial year ended 30 June 2025 were as follows:

- i. Conducted the annual self-assessment to evaluate the performance of the Board, Board Committees and individual Directors internally. The evaluation process was facilitated by the Company Secretary using structured questionnaires with quantitative assessments which covers the following key areas:
 - Board structure, size and composition;
 - Quality of information and decision making;
 - Boardroom dynamics and effectiveness;
 - Contribution of each Director and effectiveness of the Board and Committees;
 - Board's relationship with the Management;
 - Environmental, social, and governance ("ESG") and sustainability considerations; and
 - Character, experience, integrity and competence of directors, and ensure they have time to discharge their respective roles;
- ii. Reviewed the Directors' retirement and proposed to the Board re-election of the Directors who are due for retirement for shareholders' approval;
- iii. Reviewed the Evaluation Report pertaining to the term of office and performance of the Audit Committee and each of its members; and
- iv. Reviewed the disclosure of NC's activities in the annual report.

Based on the directors' self-performance assessment results, the NC reported to the Board that the Board, its committees, and individual directors have effectively discharged their responsibilities. Accordingly, the Board maintains its current structure, size, and composition.

Corporate Governance Overview Statement

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(VI) REMUNERATION

The Board has established a Remuneration Committee (“RC”). The Committee comprises three (3) members, all of whom are Independent Non-Executive Directors.

Chairman : Amnah Apasra Emir Binti Moehamad Izat Emir

Members : Ir Yeoh Yen Shiong

Ng Swee Weng

The roles and functions of RC are governed by its Terms of Reference (“TOR”), which detail its authority, duties, and responsibilities authorised by the Board. The RC’s TOR is available for reference on the Company’s website.

Two (2) RC meetings were held during the 2025 financial year, on 20 September 2024 and 27 February 2025, to deliberate on the revision of director fees and the Executive Director’s remuneration increment.

The number of Directors whose annual income falls within the following bands is set out as follows:

	Company	Subsidiaries Company		
	RM50,000 and below	RM750,001 - RM800,000	RM800,001 - RM850,000	RM1,150,001 - RM1,200,000
Executive Director				
Sin Kheng Lee	√			√
Sin Siew Huey	√		√	
Sin Ching San	√		√	
Chou Lee Sin	√		√	
Sin Tze Yi	√	√		
Non-Executive Director				
Ng Swee Weng	√			
Amnah Apasra Emir Binti Moehamad Izat Emir	√			
Ir Yeoh Yen Shiong	√			

The aggregated annual remuneration paid to all Directors of the Company is further categorised into the following components:

Remuneration Components	Received and Receivable from the Company		Received and Receivable from Subsidiary Companies in the Group		Total	
	(RM'000)		(RM'000)		(RM'000)	
	ED	NED	ED	NED	ED	NED
Fees*	175	110	-	-	175	110
Salaries	-	-	2,625	-	2,625	-
Bonuses	-	-	1,369	-	1,369	-
EPF	-	-	479	-	479	-
Benefit-in-Kind	-	-	12	-	12	-
Total	175	110	4,485	-	4,660	110

* The directors’ fees paid are related to the financial year 2025

Under Section 230(1) of the Companies Act 2016, the Directors’ fees and any benefits payable to the Directors of a listed company and its subsidiaries will be presented for shareholders’ approval at the annual general meeting.

Corporate Governance Overview Statement

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

(VII) AUDIT COMMITTEE

The Board has established an effective and independent Audit Committee. The members comprise fully independent Non-Executive Directors. They are financially literate and able to understand matters under the purview of the Audit Committee, including the financial reporting process.

The Chairman of the Audit Committee is not the Chairman of the Board. The Audit Committee's terms of office and performance, as well as those of its members, are reviewed annually by the Nominating Committee and adopted by the Board.

Details of the Audit Committee's composition, functions and activities are set out separately under the Audit Committee Report in this Annual Report.

Annually, the Audit Committee reviews the appointment, performance, independence, and remuneration of the External Auditors before recommending to the Board that a resolution be put forth to shareholders for the appointment of External Auditors.

The Audit Committee will convene meetings with the External Auditors and Internal Auditors, without the presence of the Executive Directors and employees of the Group, if needed, to allow the Auditors to exchange their views freely with the Audit Committee.

(VIII) RISK MANAGEMENT AND INTERNAL AUDIT

The Executive Directors and Heads of Departments are accountable to the Board for identifying, evaluating, monitoring, and managing risks; taking and implementing appropriate and timely mitigation actions and controls, and providing assurance to the Board that these risk management and internal control systems are adequate and effective.

The Group's 2025 financial performance reflects the effective management of risks and opportunities by the Board and management team in responding to market uncertainties and challenges. The Board is satisfied with the effectiveness and adequacy of the current level of risk management and internal control systems. The Board also received assurance from the Executive Chairman cum Chief Executive Officer and Group Managing Director cum Chief Financial Officer, that the Group's risk management and internal control systems are adequate and effective for the Group's operation.

The Statement on Risk Management and Internal Control in this Annual Report provides further details of the Group's risk management and internal control systems.

The Company had outsourced its internal audit function to IA Essential Sdn Bhd, a third-party internal audit firm. The Internal Auditors conducted their work based on the broad principles outlined in the International Professional Practice Framework of the Institute of Internal Auditors, which encompasses audit planning, execution, documentation, communication of findings, and consultation with key stakeholders on audit concerns.

In addition to reviewing the internal control systems, the Internal Auditor assesses the group's governance, risk management, and anti-corruption practices. The Audit Committee evaluate the performance of the internal auditor based on the quality of services and reports provided, the audit team's resources, objectivity, and independence.

Further details of the internal audit function are disclosed in the Audit Committee Report in this Annual Report.

Corporate Governance Overview Statement

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

(IX) COMMUNICATION WITH STAKEHOLDERS

Regular communication with stakeholders is crucial for enhancing their understanding and appreciation of the Group's business and activities.

The Board ensures there is effective, transparent and regular communication with its stakeholders via the following modes of communication:

- **Bursa Securities and Company Websites**
All significant corporate activities, financial results and general corporate information are announced to the investors and shareholders on the Bursa Securities and the Company's websites;
- **Annual Report**
The Annual Report contains extensive audited financial, governance and sustainability information prepared and disclosed in accordance with the listing requirements and the approved accounting standards; and
- **General Meeting**
Shareholders' interaction and "Question and Answer" ("Q&A") session with the Board during the general meetings

(X) CONDUCT OF GENERAL MEETINGS

The Company held its 27th Annual General Meeting ("AGM") on 28 November 2024. The AGM was conducted fully virtual through live streaming and online participation and voting using the Remote Participation and E-Voting ("RPV") facilities.

The Board allocated sufficient time for the Q&A session, responding to each question and providing clear and adequate clarification. There were 53 questions raised by seven (7) shareholders during the Q&A session. These questions ranged from financial performance to the business landscape. The Board responded and provided clarification to these questions.

There was effective two-way communication between the Board and shareholders. All resolutions set out in the Notice of AGM were voted on by poll. The Company appointed an independent scrutineer to validate the vote cast in the last AGM. The minutes of the previous AGM were published on the General Meeting section of the Company's website.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that:

- (i) The annual audited financial statements of the Group and the Company are drawn up according to the applicable Malaysian Financial Reporting Standards and the provisions of the Companies Act 2016 to give a true and fair view of the state of affairs of the Group and of the Company for the financial year, and
- (ii) Accurate accounting and related records are diligently maintained, facilitating the preparation of financial statements with a reasonable degree of precision and reasonable steps to ensure that appropriate systems are in place to safeguard the Group's assets and prevent and detect fraud and other irregularities.

In preparing the financial statements for the year ended 30 June 2025, the Directors adopted appropriate accounting policies and applied them consistently with reasonable and prudent judgments and estimates. The Directors are also satisfied that all relevant approved accounting standards have been followed in the preparation of the financial statements.

This Corporate Governance Overview Statement is made by a resolution of the Board on 22 October 2025.

Other Information

Utilisation of proceeds

There were no proceeds raised from any corporate proposal during FY2025.

Material contracts

There were no material contracts outside the ordinary course of business entered into by the Company and its subsidiaries involving Directors and major shareholders of SKB.

Audit / Non-audit fees

The amount of audit and non-audit fees paid to the external auditors and its affiliates by the Company and the Group for the financial year are as follows:

	Company (RM)	Group (RM)
Audit fees	40,000	176,526
Non-audit fees	9,900	50,900

Share buybacks

During the year, there were no share buybacks by the Company.

Options, warrants or convertible securities

No options or convertible securities were exercised during the financial year ended 30 June 2025, except allotment of 61,387,428 new ordinary shares at RM0.45 each through the exercise of 61,387,428 warrants, which increased the Company issued and paid-up capital from RM46,321,154 to RM73,945,497. Proceeds arising from the exercised of the warrants are utilized for working capital.

Imposition of sanctions/penalties

There were no sanctions and/or penalties imposed on the Company or its subsidiaries, Directors or management by the relevant bodies.

Profit estimate, forecast or projection

The Company did not make any release on the profit estimate, forecast or projections for the financial year.

Profit guarantee

During the year, there were no profit guarantees given by the Company.

Sustainability Statement

About This Statement

SKB Shutters Corporation Berhad (“SKB” or “the Group”) remains committed to embedding sustainability principles across its operations and long-term strategy. Our financial year ended 30 June 2025 (“FY2025”) marks the second year of enhanced sustainability disclosure following our stakeholder engagement and performance data reporting in FY2024. During the year, we continued advancing our sustainability initiatives.

This Statement outlines our material sustainability priorities, stakeholder engagement, and key actions across the spectrum of Environment, Social and Governance (“ESG”) covering governance, operations, people, products, and community outreach for the period 1 July 2024 to 30 June 2025.

This Statement covers the Group’s sustainability management and performance in our Kota Damansara manufacturing plant of SKB Shutters Manufacturing Sdn. Bhd. and SKB Storage Industries Sdn. Bhd., and is prepared in accordance with Paragraph 4 of Practice Note 9A of the Bursa Malaysia’s (“Bursa”) Main Market Listing Requirements and guided by Bursa’s Sustainability Reporting Guide (3rd Edition).

Assurance

This Statement has been reviewed internally by the respective Heads of Department to ensure the accuracy and completeness of the information presented. It was tabled for the Board’s deliberation and approved for inclusion in the Annual Report.

Sustainability Management Core Values



INTEGRITY AND ETHICS

Honesty and integrity are crucial for effective performance, building trust, and shaping our company’s reputation, ensuring long-term success for all stakeholders.

INNOVATION

At SKB, innovation drives our product development and service delivery, focusing on reducing waste, enhancing durability and safety, and protecting against climate factors.

ENGAGEMENT

Sustainability requires collaboration, shared resources, and equitable solutions, starting with engaging all stakeholders with respect and considering their interests and concerns.

AWARENESS

We are committed to environmental stewardship and community engagement. In addition to practising these values, we also advocate for responsible sustainability management from an early age.

Our Approach to Sustainability

Sustainability Strategy

Our sustainability strategy ensures that we focus on what matters most to our stakeholders and to the long-term success of our business. We achieve this by:

- Engaging with stakeholders to understand their expectations and respond to emerging sustainability issues.
- Identifying and prioritising material topics that have the most significant impact on our business and stakeholders.
- Embedding these material topics into business decisions to align growth with sustainable outcomes.
- Managing and measuring performance to track progress, maintain accountability, and drive continuous improvement.

Sustainability Statement

Sustainability Governance



- Oversees all sustainability matters, including monitoring and assessing issues and practices
 - Ensures sustainability integration into strategic planning, business operations, and risk management
 - Conducts sustainability-related performance of directors, in consultation with the Nominating Committee
 - Communicates sustainability priorities and performance to subsidiaries and stakeholders
-
- Led by our Managing Director and composed of the respective Heads of Department
 - Reports to and advises the Board on sustainability matters
 - Supervises the Group’s sustainability implementation and performance
 - Recommends improvements and identifies material topics, including climate-related risks and stakeholder interests
 - Develops systems for collecting, verifying, and reporting sustainability data

Stakeholder Engagement and Materiality

In FY2025, we continued our engagement with key internal and external stakeholders, including employees, customers, suppliers, business partners, and local communities, as listed in the following table. Through surveys, discussions, and collaborative feedback, we validated the relevance of the material sustainability matters identified in FY2024.



Sustainability Statement

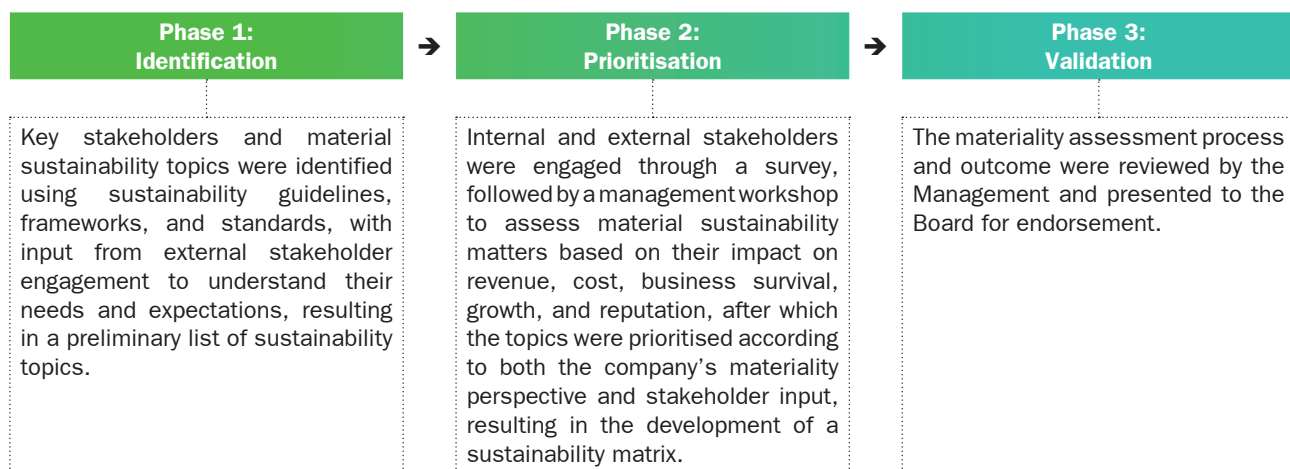
Stakeholder Engagement and Materiality (continued)

Key Stakeholders	Area of Interest or Concerns	Type of Engagement
Employees	<ul style="list-style-type: none"> • Communication and engagement • Working environment • Career development and training • Business performance review 	<ul style="list-style-type: none"> • Training and development • Formal meeting and discussion • Employee suggestion programme • Appraisal and performance review • Health and safety training
Customers	<ul style="list-style-type: none"> • Product quality and performance • Sustaining a long-term relationship 	<ul style="list-style-type: none"> • Sustaining long-term relationships • Customer satisfaction survey • On-site visits • Customer audit • Exhibition and roadshows
Suppliers	<ul style="list-style-type: none"> • Forging a strategic partnership • Supplier performance review • Product quality monitoring 	<ul style="list-style-type: none"> • Supplier selection via pre-qualification • Regular meetings and correspondence • Whistle-blowing platform
Business partners	<ul style="list-style-type: none"> • Business continuity and growth opportunities • Compliance with legal and ethical standards • Innovation and value creation 	<ul style="list-style-type: none"> • Strategic collaboration projects • Formal agreements and contracts • Joint development initiatives • Networking events and industry forums
Local communities	<ul style="list-style-type: none"> • Employment and economic contribution • Community development and welfare • Environmental responsibility 	<ul style="list-style-type: none"> • Corporate Social Responsibility (“CSR”) activities and sponsorships • Donations and community support programmes

After careful review by management and approval by the Board, we reaffirmed the same nine (9) core material sustainability matters from FY2024, as these continue to represent the most significant sustainability impacts, risks, and opportunities for SKB’s operations and stakeholders.

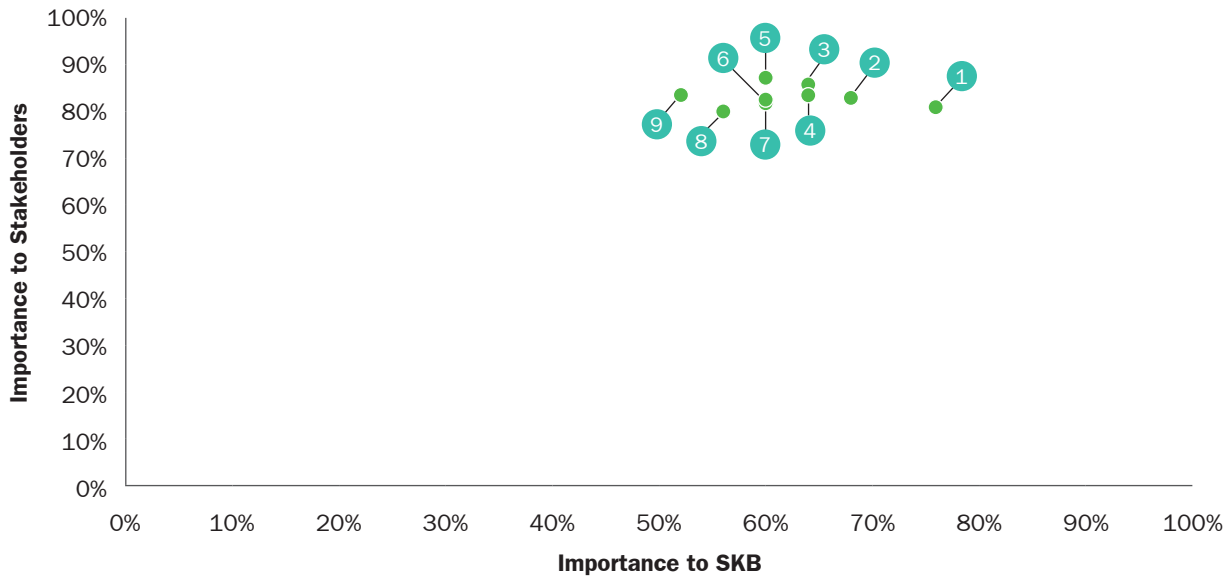
Our FY2024 materiality assessment process was aligned with Bursa’s Sustainability Reporting Guide, which outlines the following three phases:

SKB’s Materiality Assessment Process



Sustainability Statement

SKB's Sustainability Matrix FY2024



Stakeholders' Identified Material Sustainability Matters

1	Product Design & Material Sourcing	6	Risk Management ¹
2	Assurance ¹	7	Industry Development
3	Labour Practices and Standards	8	Green Operating Approaches, Methods and Procedures ²
4	Regulatory Compliance ¹	9	Corporate Code of Conduct and Ethics ¹
5	Occupational Safety and Health		

Note:

1. "Assurance", "Regulatory Compliance", "Risk Management", "Corporate Code of Conduct and Ethics", and "Corporate Governance" are collectively managed under "Corporate Governance and Compliance".
2. "Green Operating Approaches, Methods and Procedures" is managed under "Workplace and Immediate Environment" and "Industry Development".
3. "Water", "Energy Management", "Waste Management", and "Emissions Management" are collectively managed under "Workplace and Immediate Environment".

Sustainability Themes

Our material sustainability matters are monitored and managed through our internal frameworks. The approach remains structured across four themes as follows.

Environment	Social	Governance	Economics
<ul style="list-style-type: none"> Product Design and Material Sourcing Workplace and Immediate Environment 	<ul style="list-style-type: none"> Labour Practices and Standards Occupational Safety and Health Diversity, Equity and Inclusion Community Development and Commitment 	<ul style="list-style-type: none"> Corporate Governance and Compliance Customer Privacy and Cybersecurity 	<ul style="list-style-type: none"> Industry Development Supply Chain Management

In preparation for evolving regulatory and stakeholder expectations, SKB began preparing to assess climate-related risks and opportunities in alignment with the ISSB standards, specifically the IFRS S2 Climate-related Disclosures. This effort forms part of our transitional compliance with Bursa Malaysia's revised sustainability reporting framework, aligned with the National Sustainability Reporting Framework issued by the Securities Commission Malaysia. This groundwork sets the stage for future integration of climate resilience into our governance, strategy, risk management, and metrics.

Sustainability Statement

Environment	Social	Governance	Economics
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Product Design and Material Sourcing

Sustainable product design guides how we balance performance, safety, and environmental responsibility. Every material we choose influences the footprint of our operations and the durability of our products.

By focusing on recyclability, responsible sourcing, and durability, we aim to minimise waste and deliver solutions that benefit both our customers and the environment.

Our design and sourcing practices are guided by the principles of durability, responsibility, and safety. We seek materials that can be recycled or reused, work with suppliers who share our values, and emphasise quality that extends product life. Longer-lasting products mean fewer replacements, which reduces waste and conserves resources.

In line with our commitment to environmental care, we apply powder-coat finishing across our product range. This method avoids the use of TGIC, heavy metals, and other harmful substances, ensuring safer outcomes for both users and the environment.

In addition to our past achievements, where the Powerless Auto-Close Flood Shutter was recognised with the Archidex Star Award 2023 and the BrandLaureate Sustainable Business and Inspirational Brands Achievement Awards 2022-2023, and several roller shutters were tested to ASTM E330 standards for wind resistance of up to 3,600 Pascal (equivalent to 280 km/h, a Category 5 hurricane), we continued to advance our product innovation in FY2025.

During the year, we successfully tested the largest fire door to Malaysian Standard MS 1073, measuring 3,000mm by 3,000mm. Our Palletlock product was certified to BS EN 15512:2020, enabling compliance with European standards and expanding our market reach. Furthermore, the SKB Powerless Flood Shutter was successfully tested to British Standard BS851188-1:2019+A1:2021 by TÜV SÜD, further reinforcing its performance quality and safety credentials.

These initiatives reflect our ongoing commitment to deliver products that are safe, reliable, and aligned with evolving market and environmental needs.

Workplace and Immediate Environment

The way we design and operate our facilities plays a key role in managing our environmental footprint. Energy and water use, waste generation, and carbon emissions all stem from day-to-day operations, making the workplace an essential focus for sustainability.

By improving efficiency, reducing waste, and using resources responsibly, we not only lower our impact but also encourage our employees to adopt sustainable practices in their own work.

Our Kota Damansara plant incorporates several energy-saving features to reduce reliance on conventional power. Skylight panels maximise the use of natural light, with annual maintenance ensuring they remain effective. For times when additional lighting is needed, we use energy-efficient LEDs. In FY2022, we further advanced our efforts by installing solar panels covering 5,200 m² of roof space. These panels generated a cumulative power of 2,055 MWh in FY2025 since FY2023, helping to cut carbon emissions while also lowering operating costs.

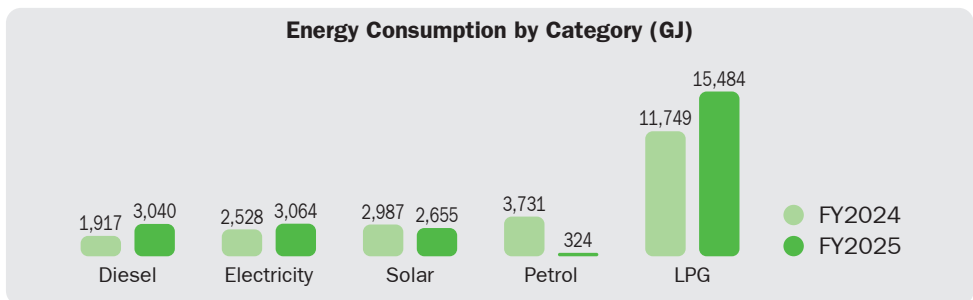
Energy Management

In FY2025, we further improved natural lighting by replacing aged fibreglass roof panels, allowing better daylight penetration onto the production floor and reducing dependence on artificial illumination. Our vehicles are serviced regularly, and forklift drivers are trained in fuel-efficient practices to optimise energy use. Employees are also encouraged to conserve electricity by switching off appliances during breaks and non-operating days.

Our total energy consumption in FY2025 was 24,568 GJ, a 7% increase compared to FY2024. However, on an intensity basis relative to revenue, consumption decreased to 178 GJ/RM million, down from 198 GJ/RM million in the previous year, representing a 10% improvement in energy efficiency.

	FY2025	FY2024
Total energy consumption (GJ)	24,568	22,912
Energy intensity (GJ/RM million revenue)	178	198
Solar-generated power (MWh)	737.6	829.8
Estimated CO ₂ e reduction (tonnes)	571	629

Petrol consumption recorded the most significant change in FY2025, dropping by 91%, while diesel usage increased by 59%. These changes reflect an update in the data collection method, which now includes claims to improve accuracy. Meanwhile, LPG and electricity consumption rose by 32% and 21%, respectively, in line with higher overtime hours from increased production volume.



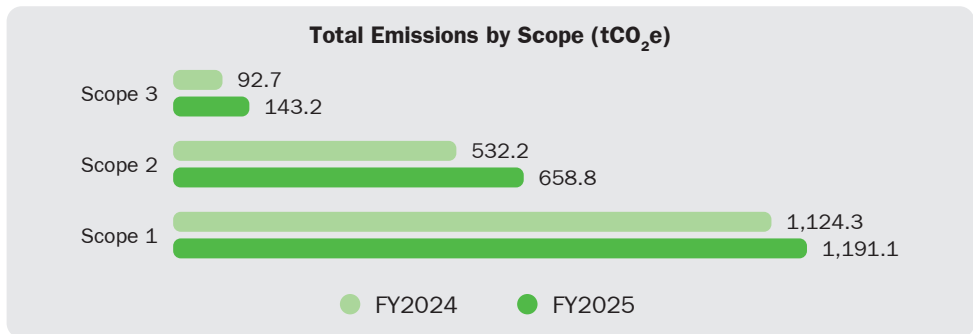
Environment	Social	Governance	Economics
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Workplace and Immediate Environment (continued)

Emissions Management

We initiated Scope 3 emissions tracking in FY2024, focusing on employee commuting. In FY2025, the scope of reporting was broadened to include business travel, encompassing both land and air transport.

Our Scope 1 emissions increased by 6% due to increased diesel and LPG usage. Scope 2 emissions increased by 24%, driven by higher electricity usage from increased production volume. Scope 3 emissions rose by 54%, mainly attributable to the inclusion of business travel for the first time in our reporting boundary, in addition to employee commuting tracked since FY2024.



Note:

- Scope 1 emissions are derived from our consumption of petrol, diesel and LPG.
- Scope 2 emissions factors for electricity grids in Peninsular Malaysia are sourced from the MY Energy Commission Grid Emission Factor (“GEF”) in Malaysia, using 2021 data for FY2024 and 2022 data for FY2025.
- Scope 3 emissions are derived from employee commuting based on the methodology provided in Technical Guidance for Calculating Scope 3 Emissions (version 1.0), published by GHG Protocol.
- Scope 1 and Scope 3 emissions factors for FY2024 are sourced from the GHG Conversion Factors for Company Reporting version 1.0 (2023), published by the UK Department for Environment, Food & Rural Affairs (“DEFRA”).
- Scope 1 and 3 emissions factors for fuel usage in FY2025 are sourced from UK Government GHG Conversion Factors for Company Reporting Version 1.0 (2025).
- Scope 3 emissions for air travel in FY2025 are obtained using the Carbon Emission Calculator of the International Civil Aviation Organization.

Water Management

Our water management efforts focus on reducing consumption and ensuring responsible discharge. Employees are encouraged to recycle and reuse water wherever possible, while wastewater from fabrication and treatment processes undergoes on-site treatment. The treated water is tested to comply with the Department of Environment (“DOE”) standards before being released.

In FY2025, total water consumption decreased by 6%, and water intensity improved by 21%, decreasing to 0.15 ML/RM million revenue from 0.19 ML/RM million revenue in FY2024.

	FY2025	FY2024
Total water consumption (ML)	20.13	21.42
Water intensity (ML/RM million revenue)	0.15	0.19

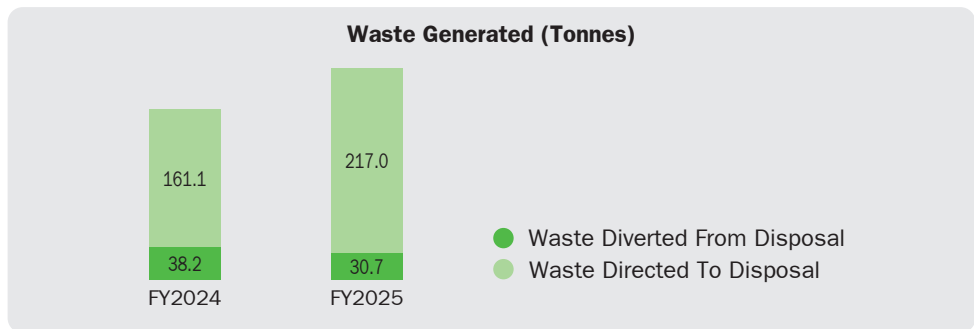
Environment	Social	Governance	Economics
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Workplace and Immediate Environment (continued)

Waste Management

Waste management at SKB is driven by a collective commitment across the organisation. Through our “Leave-No-Trash-Behind” initiative, employees separate waste into recyclables, non-recyclables, and organic waste at the end of each workday. Hazardous waste is managed as scheduled waste in accordance with regulatory requirements, while non-hazardous waste includes general and recyclable materials. Recyclable factory by-products such as scrap metal and scheduled waste are collected regularly by licensed vendors. In addition, all cardboard packaging from procured items is reused within our operations, reducing the need for new packaging materials. To further build awareness, we organised a zero-waste workshop for employees in FY2025.

In FY2025, the Group generated a total of 247.7 tonnes of waste, compared to 199.3 tonnes in FY2024, representing a 24% increase. Within this, waste diverted from disposal declined by 20%, mainly due to more efficient use of materials, resulting in less scrap metal available for recycling. In contrast, waste directed to disposal rose by 35%, attributed to a spring clean and workplace tidy-up exercise carried out under the Lean Management programme.



Sustainability Statement

Environment	Social	Governance	Economics
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Labour Practices and Standards

Upholding fair labour practices is fundamental to building a workplace where employees are respected, supported, and motivated to perform at their best.

By fostering equitable treatment and equal access to opportunities, we strengthen employee well-being while reinforcing a culture of trust and accountability.

These practices not only safeguard the rights of our workforce but also contribute to the long-term resilience and sustainability of the Group.

Our commitment to fair labour practices is guided by our Local Employment Policy, Sustainability Policy, and Human Rights Policy. These policies shape our efforts in the following areas:

Employee Benefits	Benefits are reviewed and updated to remain relevant and supportive.
Training and Development	Ongoing training builds skills, supports performance, and career growth.
Employee Engagement	Open communication through meetings, discussions, and suggestion channels.
Health and Well-Being	Safety and well-being are supported through training and work-life balance initiatives.
Performance Appraisal	Regular reviews provide feedback, recognise contributions, and highlight improvements.

In FY2025, we organised a variety of employee engagement activities, including festive celebrations, recreational outings, and site visits.



Durian Party



TRX Movie Outing



ATV Adventure



CNY Dinner



CNY Open House



New Plant Site Visit



Raya Open House

Sustainability Statement

Environment	Social	Governance	Economics
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Labour Practices and Standards (continued)



Safe Handling and Storage of Chemicals Training

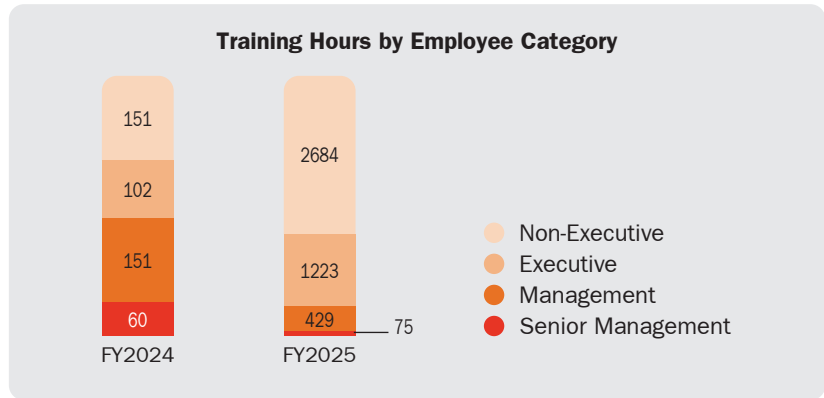


Overhead Crane Safe Handling Training



Workplace Ergonomics Awareness Training

In FY2025, we provided a total of 4,411 training hours, a sharp increase from 463.5 hours in FY2024, covering career development, environmental awareness, health and safety, and operational skills. The increase was mainly driven by the higher number of health and safety trainings delivered during FY2025.



In FY2025, employee turnover among executives and non-executives declined compared to FY2024, reflecting improved workforce stability.

No. of employee turnover	FY2025	FY2024
Senior Management	-	-
Management	-	-
Executive	12	15
Non-executive	8	17

Contract-based staff accounted for 40% of our workforce in FY2025, compared to 26% in FY2024, primarily driven by the return of several non-Malaysian employees with permits to their home countries. To address the shortfall in manpower and meet higher production demand, we engaged more contract employees. Similar to the previous year, no complaints related to human rights violations were reported.

	FY2025	FY2024
Percentage of contract-based staff	40%	26%*
No. of substantiated complaints concerning human rights violations	-	-

*Restated FY2024 data after data review.

Sustainability Statement

Environment	Social	Governance	Economics
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Occupational Safety and Health

Protecting the health and safety of employees is fundamental to sustaining a productive and resilient workforce. A safety workplace reduces the risk of accidents and injuries, while also reinforcing a culture of care and responsibility.

By prioritising safety in our operations, we not only safeguard employee well-being but also support business continuity and compliance with regulatory standards.

Our Kota Damansara plant is equipped with crane-operated lifting and hoisting systems that improve both safety and efficiency in material handling on the production floor.

We regularly update our Occupational Safety, Health and Environment (“OSHE”) Policy and Hazard Identification, Risk Assessment and Risk Control (“HIRARC”) processes as part of our commitment to maintaining safe operations. In FY2025, we carried out a comprehensive review of HIRARC across all workstations to systematically identify and mitigate risks.

The financially year also marked several important milestones in strengthening safety practices. The Group was certified with ISO 45001, aligning our safety management system with international standards. We conducted an awareness talk on the amendments to the Occupational Safety and Health Act for both employer and employee representatives to reinforce compliance with regulatory requirements. To enhance emergency preparedness, we developed, implemented, and trained employees on a new Emergency Response Plan, and initiated annual joint fire drills with Bomba.

Training and awareness programmes in FY2025 covered a wide range of topics, including overhead crane handling, working at height, forklift operations, and emergency response. Employees also received training in chemical handling, spillage control, workplace ergonomics, machinery safety, and the proper use of personal protective equipment (“PPE”). Efforts were further reinforced by stricter enforcement of PPE use and the introduction of office ergonomics training with an initial risk assessment. Sessions on daily preventive maintenance, ISO standards awareness, and OSH competency development were also conducted to strengthen workplace safety and operational discipline.

In FY2025, no workplace incidents were recorded, compared to eight incidents in FY2024. This improvement may be attributed to the effectiveness of our safety measures and training programmes. During the financially year, 164 employees received training on health and safety standards, up from 98 in FY2024.

	FY2025	FY2024
Total hours worked	375,239	333,440
No. of work related fatalities	-	-
No. of lost time incidents	-	8
Lost time incident rate (“LTIR”)	-	4.8
No. of employees trained on health and safety standards	164	98

Sustainability Statement

Environment	Social	Governance	Economics
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Diversity, Equity and Inclusion (continued)

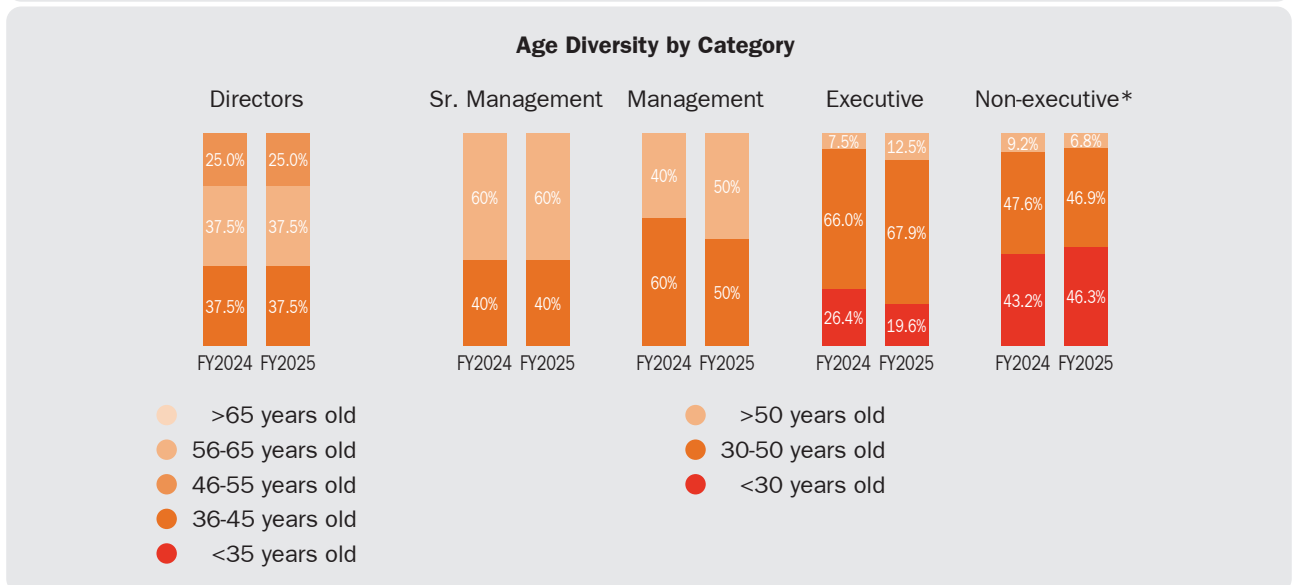
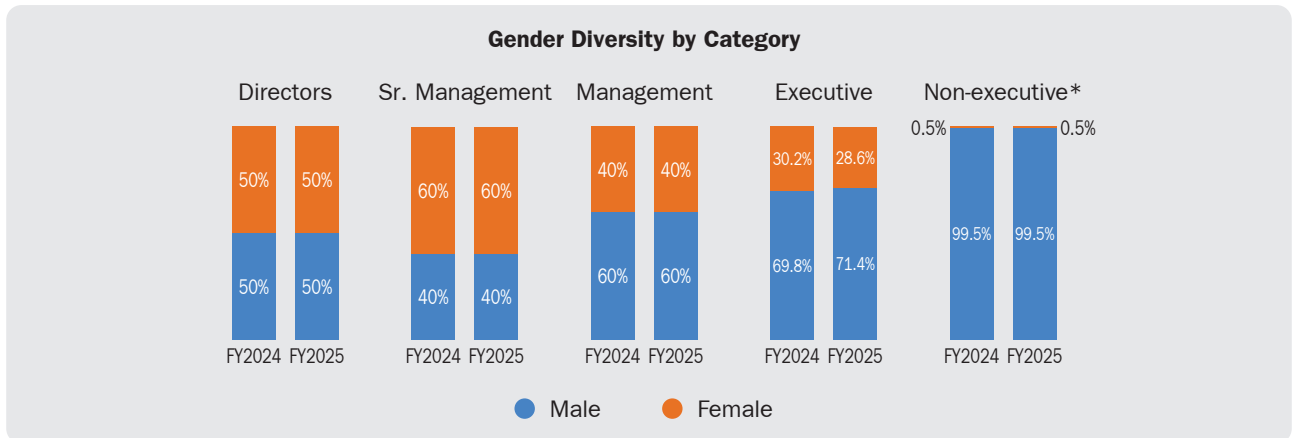
A diverse and inclusive workplace enables employees to feel respected, supported, and able to contribute fully.

By ensuring equal opportunities and fair treatment, we strengthen collaboration, improve workplace culture, and support long-term organisational success.

In our recruitment and workplace practices, we uphold diversity and ensure non-discrimination regardless of race, religion, age, gender, sexual orientation, disability, or other identity factors. We aim to remove barriers to fairness by encouraging open dialogue, valuing different perspectives, and providing equal opportunities for all employees to contribute.

As of FY2025, our workforce includes 8 directors and 233 employees. Non-executive positions remain predominantly held by male employees, reflecting the operational nature of these roles, which involve manual and on-site work. There is a restatement of the number of non-executive employees previously disclosed in the previous Sustainability Statement. The figure has been revised following a review of our data collection process and now gives a more accurate breakdown of our workforce. We are committed to ensuring our disclosures are as accurate as possible.

The following charts provide an overview of our workforce and board composition, including gender, age, and ethnicity, highlighting diversity across different levels of the organisation.

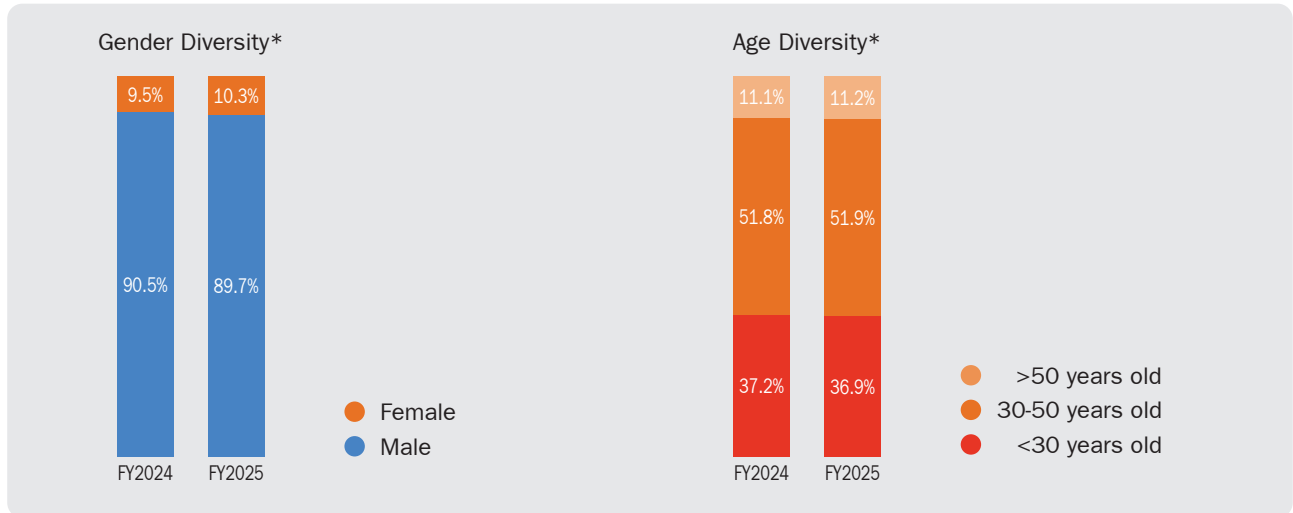


*Restated FY2024 data after data review.

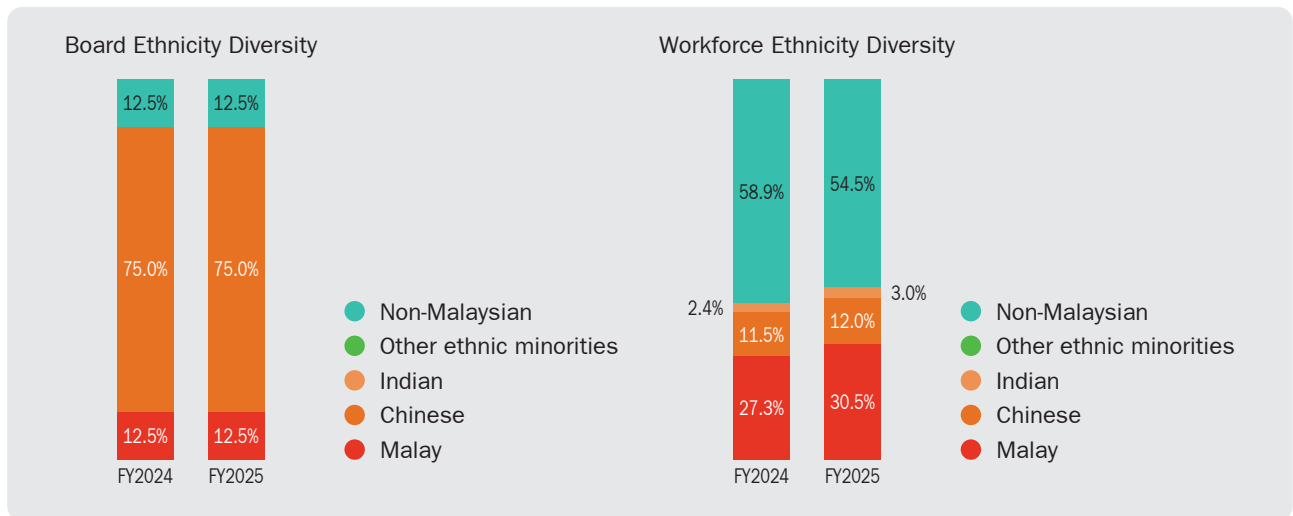
Sustainability Statement

Diversity, Equity and Inclusion (continued)

Workforce Gender and Age Diversity



Ethnicity Diversity



*Restated FY2024 data after data review.

Sustainability Statement

Environment	Social	Governance	Economics
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Community Development and Commitment

Our commitment to community development reflects our responsibility to contribute positively beyond our business activities.

By engaging with local communities and supporting meaningful initiatives, we aim to create social value and strengthen relationships with the people around us.

Our approach to community development is guided by inclusivity and equality, ensuring that our support reaches people of different religions, ethnic, and gender backgrounds. By fostering unity and extending assistance where it is needed most, we aim to maximise the impact of our community initiatives.

Over the years, we have contributed to a range of community projects, including donations to community centres, schools, and other local organisations. In FY2024, our efforts also included support for the Eco-Schools programme. In FY2025, we continued this commitment through contributions such as the construction of a fire escape staircase for PDK Damansara Damai, the installation of two roller shutters for SM Foon Yew, and the provision of 60 speed racks to Desaku, an NGO supporting the Orang Asli community.

In FY2025, we contributed a total of RM 91,971 to 12 organisations and associations, reaching approximately 11,855 beneficiaries and further strengthening our role in creating positive social impact.

	FY2025	FY2024
Total community investment where target beneficiaries are external to SKB (RM)	91,971	59,133
Total number of beneficiaries* of the community investment	12	6

*Disclosed as the number of organisations/ associations.



Ex Bomba Association - Cheque Presentation and Wheelchair Sponsorship



Feeding the Needy - food distribution for street family



Fire Escape Staircase for PDK Damansara Damai

Sustainability Statement

Environment	Social	Governance	Economics
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Corporate Governance and Compliance

Strong corporate governance is key to building trust with our shareholders, stakeholders, and the wider community.

By upholding transparency, accountability, and ethical conduct, we protect shareholder value, ensure compliance with laws and regulations, and manage risks responsibly.

These practices form the foundation for the Group's long-term success and integrity in business operations.

The Group's governance practices are guided by the principles of the Malaysian Code on Corporate Governance ("MCCG"). We emphasise strong governance to protect shareholder interests, meet stakeholder expectations, and ensure transparency and integrity across our operations.

Anti-Corruption	We uphold high governance standards, with no issues negatively affecting our shareholders or stakeholders in FY2025. Our Anti-Bribery and Corruption ("ABC") Policy, applicable across the Group, reinforces our zero-tolerance stance on bribery and corruption, ensuring that integrity takes precedence over business gains. The policy is publicly available on our corporate website.
Code of Conduct and Ethics	The Code of Conduct and Ethics, published on our website since 2020, defines the standards of ethical behaviour expected within the company. Alongside this, the Whistleblowing Policy and Procedure, introduced in 2019 and also made available online, provides a safe and confidential channel for reporting misconduct or breaches of ethics. Together, these policies support a culture of accountability and transparency.
Risk Management	We recognise the importance of a comprehensive risk management process to address the risks and opportunities arising from our material sustainability matters, including regulatory, operational, and market-related risks. We are progressing to integrate climate-related considerations into our risk assessments in line with global best practices.

Looking ahead, we plan to progressively align with the IFRS S2 Climate-related Disclosures under the National Sustainability Reporting Framework issued by the Securities Commission Malaysia. This includes identifying, evaluating, and disclosing risks and opportunities related to climate change as part of our transitional compliance with Bursa Malaysia's updated requirements.

Building on the first corruption-related training held in 2022, all new employees continue to receive ABC training as part of the onboarding process. To strengthen inclusivity, progressive training for foreign employees is being developed, with translations of the ABC Policy into their native languages expected to be completed by the end of 2025.

Corruption-related training	FY2025	FY2024
Senior Management	100%	100%
Management	100%	100%
Executive	100%	100%
Non-executive	-	-

In FY2025, similar to FY2024, all operations continued to be assessed for corruption-related risks, and no incidents of corruption were reported.

	FY2025	FY2024
Percentage of operations assessed for corruption-related risks	100%	100%
Number of confirmed corruption incidents	-	-

Sustainability Statement

Environment	Social	Governance	Economics
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Customer Privacy and Cybersecurity

Protecting customer privacy and maintaining strong cybersecurity practices remain a priority for the Group.

Safeguarding personal information against unauthorised access and misuse is key to building trust and ensuring compliance with the Personal Data Protection Act.

By adhering to these standards, we aim to secure sensitive information and maintain the confidence of those we serve.

We are committed to maintaining high standards of data protection and cybersecurity. Our Privacy Policy sets out our responsibilities for handling personal information in line with the PDPA. To prevent data breaches, we apply strict security protocols and continuously update our systems to address emerging risks.

All customer data is stored on a local server with restricted access, supported by encryption and detailed audit logs to monitor and control data use. These measures strengthen protection against unauthorised access and safeguard the integrity of customer information.

Similar to FY2024, no complaints were received regarding breaches of customer privacy or loss of customer data in FY2025.

	FY2025	FY2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	-	-



Sustainability Statement

Environment	Social	Governance	Economics
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Industry Development

Staying updated on industry developments is important for enhancing product safety and addressing emerging challenges.

In areas such as fire safety and flood protection, evolving regulations and rising environmental risks require a proactive approach.

By keeping pace with these changes, we ensure that our products continue to safeguard lives and meet customer expectations.

We actively engage with advancements in fire safety and industry standards through participation in research and industry events. This enables us to keep abreast of regulatory updates, new materials, and building technologies that support safer and more resilient product design.

To address growing risks such as floods, we launched the Powerless Auto-Close Flood Shutter in FY2023. Designed to protect assets and lives during flood events, this solution reflects our commitment to developing practical and reliable safety innovations. In addition, we collaborate with government and industry partners to deliver customised solutions such as insulated fire shutters and seismic storage systems. Our storage racking systems are tested to Australian Standard AS 4084:2023, which requires racking systems to withstand earthquakes and establishes a framework for safe operation and maintenance. Meeting this standard helps ensure the safety and structural integrity of our racking systems while protecting workers and the public from associated hazards.

We are also proud to have achieved several firsts in the industry. SKB was the first in Malaysia to successfully test fire-rated doors with electric mortise locks, and to produce the largest fire-rated doors under Malaysian Standard. Furthermore, our horizontal shutter became the first in the world to achieve a 4-hour fire rating under BS EN Standard.

In FY2025, the Group achieved ISO 14001 and ISO 45001 certifications, further strengthening our management systems for environmental and occupational health and safety practices.

Supply Chain Management

A responsible supply chain is an important part of ensuring that our business practices remain sustainable and ethical.

By working closely with suppliers who share our values, we help reduce social and environmental risks linked to procurement activities.

Giving preference to local suppliers not only strengthens community ties but also supports business continuity by reducing dependency on external supply sources.

We manage our supply chain with a strong emphasis on responsibility, fairness, and sustainability. Our procurement practices are designed to uphold ethical standards while ensuring transparency in supplier relationships. We regularly engage with and assess our suppliers to confirm alignment with our expectations on quality, integrity, and sustainability. Through this approach, we continue to promote long-term partnerships that benefit both the Group and the communities where we operate.

In FY2025, 71% of procurement expenditure was directed to local suppliers, compared to 77% in FY2024. While the majority of sourcing continues to be local, selected international suppliers are engaged where necessary to meet specific operational requirements. This balance ensures efficiency while maintaining responsible sourcing practices.

	FY2025	FY2024
Proportion of spending on local suppliers	71%	77%

Sustainability Statement

Performance Data Table

Indicator	Measurement Unit	2024	2025
Bursa (Water)			
Bursa C9(a) Total volume of water used	Megalitres	21.420000	20.130000
Bursa (Energy management)			
Bursa C4(a) Total energy consumption	Megawatt	6,364.44 *	6,824.44
Bursa (Waste management)			
Bursa C10(a) Total waste generated	Metric tonnes	199.30	247.70
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	38.20	30.70
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	161.10	217.00
Bursa (Emissions management)			
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	1,124.20	1,191.12
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	532.20	658.79
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	92.70	143.19
Bursa (Labour practices and standards)			
Bursa C6(a) Total hours of training by employee category			
Senior Management	Hours	60	75
Management	Hours	151	429
Executive	Hours	102	1,223
Non-executive	Hours	151	2,684
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	26.00 *	40.00
Bursa C6(c) Total number of employee turnover by employee category			
Senior Management	Number	0	0
Management	Number	0	0
Executive	Number	15	12
Non-executive	Number	17	8
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0
Occupational Safety and Health			
Bursa C5(a) Number of work-related fatalities	Number	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	4.80	0.00
Bursa C5(c) Number of employees trained on health and safety standards	Number	98	164
Total hours worked	Hours	333,440	375,239
Number of lost time incidents	Number	8	0
Diversity, Equity and Inclusion			
Bursa C3(a) Percentage of employees by gender and age group, for each employee category			
Age Group by Employee Category			
Senior Management Under 30	Percentage	0.00	0.00
Senior Management Between 30-50	Percentage	40.00	40.00
Senior Management Above 50	Percentage	60.00	60.00
Management Under 30	Percentage	0.00	0.00
Management Between 30-50	Percentage	60.00	50.00
Management Above 50	Percentage	40.00	50.00
Executive Under 30	Percentage	26.40	19.60
Executive Between 30-50	Percentage	66.00	67.90
Executive Above 50	Percentage	7.50	12.50
Non-executive Under 30	Percentage	43.20 *	46.30
Non-executive Between 30-50	Percentage	47.60 *	46.90
Non-executive Above 50	Percentage	9.20 *	6.80
Gender Group by Employee Category			
<div style="display: flex; align-items: center; gap: 10px;"> Internal assurance External assurance No assurance (*)Restated </div>			

* The FY2024 figure for total energy consumption has been restated to ensure consistency in measurement units. The figure previously disclosed in gigajoules (GJ) has been converted to megawatt-hours (MWh) to align with the current reporting format.

Sustainability Statement

Performance Data Table (continued)

Indicator	Measurement Unit	2024	2025
Senior Management Male	Percentage	40.00	40.00
Senior Management Female	Percentage	60.00	60.00
Management Male	Percentage	60.00	60.00
Management Female	Percentage	40.00	40.00
Executive Male	Percentage	69.80	71.40
Executive Female	Percentage	30.20	28.60
Non-executive Male	Percentage	99.50 *	99.40
Non-executive Female	Percentage	0.50 *	0.60
Bursa C3(b) Percentage of directors by gender and age group			
Male	Percentage	50.00	50.00
Female	Percentage	50.00	50.00
Under 36	Percentage	0.00	0.00
36 - 45	Percentage	37.50	37.50
46 - 55	Percentage	0.00	0.00
56 - 65	Percentage	37.50	37.50
Above 65	Percentage	25.00	25.00
Total number of employees	Number	253 *	233
Gender diversity - Male	Percentage	91.00 *	90.00
Gender diversity - Female	Percentage	9.00 *	10.00
Age diversity - <30 years old	Percentage	37.00 *	37.00
Age diversity - 30-50 years old	Percentage	52.00 *	52.00
Age diversity - >50 years old	Percentage	11.00 *	11.00
Ethnic diversity - Malay	Percentage	27.30 *	30.50
Ethnic diversity - Chinese	Percentage	11.50 *	12.00
Ethnic diversity - Indian	Percentage	2.40 *	3.00
Ethnic diversity - Other ethnic minorities	Percentage	0.00	0.00
Ethnic diversity - Non-Malaysian	Percentage	58.90 *	54.50
Community Development and Commitment			
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	59,133.00	91,971.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	6	12
Corporate Governance and Compliance			
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category			
Senior Management	Percentage	100.00	100.00
Management	Percentage	100.00	100.00
Executive	Percentage	100.00	100.00
Non-executive	Percentage	0.00	0.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0
Customer Privacy and Cybersecurity			
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0
Bursa (Supply chain management)			
Bursa C7(a) Proportion of spending on local suppliers	Percentage	77.00	71.00

Internal assurance External assurance No assurance

(*)Restated

Statement on Risk Management and Internal Control

BOARD'S RESPONSIBILITIES

The Board acknowledges its overall responsibility for maintaining a sound system of internal control and a risk management framework within the Group. The Board also recognises that reviewing the Group's systems of risk management and internal control is a continuous process to ensure the implementation of appropriate strategies to manage risks and safeguard shareholders' investments and the Group's assets.

The Board recognises that business decisions require balancing risk, cost management, shareholders' interest and return. Functionally, risk management implementation is the responsibility of all Executive Directors and Departmental Heads, while the Board derives its comfort in the state of risk management and internal control implementation in the Group from the following oversight processes:

- Quarterly reviews of the financial performance of the Company and the Group;
- Briefing by Management during the Board Meetings on significant business and operational performance and outlooks;
- Reviews of audit findings presented by External Auditors;
- Assessments of the internal control systems and governance practices by the Internal Auditors; and
- Annual management assurance that the Group's risk management and internal control systems are adequate and effective in all material respects.

RISK MANAGEMENT

The Executive Directors and Heads of Departments are accountable to the Board for identifying, evaluating, monitoring, and managing risks; taking and implementing appropriate and timely mitigation actions and controls, and providing assurance to the Board that these risk management and internal control systems are adequate and effective.

The Group's 2025 financial performance reflects the effective management of risks and opportunities by the Board and management team in responding to market uncertainties and challenges. Specifically, these uncertainties and challenges, ranging from currency fluctuations, inflation, trade and geopolitical tensions, impacted the production costs, profit margins, and sales.

Through continuous operational workflow enhancements, product functionality optimisation and working capital management, the Group mitigated the cost pressures while maintaining profitability. The Group also shifted its focus areas to high-growth industrial segments and is gradually optimising its domestic and overseas sales mix. Additionally, the Group's product strategy, which integrates sustainability and innovation, has enabled us to align with market demand from safety and security to energy-efficient and environmentally responsive products against climate change.

In light of the above mitigation measures, the Group was able to diversify and expand its market presence, counteracting market slowdown, inflation and volatility during the financial year. At the same time, the recovery in the construction sector, combined with growth in digital infrastructure projects, created a good opportunity for the Group to market its innovative and sustainable building materials and improve its financial performance.

INTERNAL CONTROL

The following are the key control procedures and measures embedded in the Group, forming part of the Group's risk mitigation procedures and the management controls:

- i. Management organisation structure defining the management's responsibilities and hierarchical structure of reporting lines and accountability;
- ii. Periodic management meetings, departmental meetings and performance reporting for monitoring and ensuring that the business operations are progressing per the objectives and targets and complying with new regulations;
- iii. Standard operating procedures guiding staff members in carrying out their functions effectively;
- iv. Provision of training to employees to strengthen their skill sets and capabilities and keep them abreast of compliance requirements;

Statement on Risk Management and Internal Control

INTERNAL CONTROL (continued)

- v. Insurance protecting plant, property, equipment, money and the Group's liability against fire, consequential loss, property damage, theft, loss of money, burglary, fidelity guarantee, product and public liability;
- vi. Adoption of quality management systems ISO 9001:2015, Environmental Quality Management System ISO 14001 and Occupational Health and Safety Management System ISO 45001 in the key subsidiaries;
- vii. Implementation of Anti-Bribery & Corruption ("ABC") Policy, provision of ABC guidelines to create employee and business associate awareness, assessment of the bribery and corruption risks and identification of measures in preventing corruption and bribery; and
- viii. Implementation of Whistleblowing Policy for protecting and encouraging stakeholders to report suspicious activities.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

In accordance with the Bursa Malaysia Securities Berhad ("Bursa Securities")' Guidelines, Management is responsible for identifying risks, implementing and maintaining sound systems of risk management and internal control, monitoring and reporting to the Board on significant control deficiencies and changes in risks that could significantly affect the Group's achievement of its objectives and performance.

In producing this Statement, the Board has received assurance from the Executive Chairman cum Chief Executive Officer and Group Managing Director cum Chief Financial Officer to the best of their knowledge, that the Group's risk management and internal control systems are adequate and effective for the Group's operation.

BOARD ASSURANCE

The disclosure in this Statement is presented pursuant to paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Securities and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers ("Guidelines").

The Board acknowledges its continuous oversight responsibility for the Management's risk identification, assessment and management. The existing internal control and risk management systems are adequate and effective, enabling the Group to achieve its business objectives. There were no material losses arising from significant control weaknesses for the financial year under review.

The Board wishes to reiterate that risk management and internal control systems will be continuously improved in line with the evolving business environment. However, it should be noted that these systems are designed to manage, rather than eliminate, the risks associated with failure in achieving business objectives. Therefore, these systems can only provide reasonable but not absolute assurance against material misstatements, fraud, and losses.

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The External Auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in the Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the year ended 30 June 2025, and reported to the Board that nothing has come to their attention that caused them to believe that the statement intended to be included in the Annual Report of the Group, in all material respects:

- a. has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- b. is factually inaccurate.

AAPG 3 does not require the External Auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system, including the assessment and opinion by the Board of Directors and Management thereon. The Auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

The Statement is made by a resolution of the Board on 22 October 2025.

Audit Committee Report

The Audit Committee (“AC”) of SKB is pleased to present the AC Report for the financial year ended 30 June 2025 in compliance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad.

The AC was established to assist the Board in discharging its oversight function, the Board has delegated certain responsibilities for corporate governance, internal controls and financial reporting to the AC. The AC provides greater objectivity and independence in the deliberations of specific agenda. The AC Chairman report to the Board on the matters discussed and deliberated in the AC meetings.

During the financial year, the members of AC had discharged their duties, responsibilities and functions in accordance with the Terms of Reference (“TOR”) of the AC. The TOR is available at the Company’s website at www.skb-shutters.com.

Membership

The Board has established an effective and independent AC. The AC members are financially literate and can understand matters under the purview of the AC including the financial reporting process.

In compliance with paragraph 15.09(1) of the MMLR, the AC comprises solely independent non-executive directors. None of the AC members are alternate Director. Members of the AC during the financial year ended 30 June 2025 are as follows:

Chairman : Ng Swee Weng (Independent Non-Executive Director)
Member : Amnah Apasra Emir Binti Moehamad Izat Emir (Independent Non-Executive Director)
Ir Yeoh Yen Shiong (Independent Non-Executive Director)

The Chairman of the Audit Committee, Mr Ng Swee Weng is a member of the Malaysian Institute of Certified Public Accountants (MICPA) and member of the Malaysian Institute of Accountants (MIA) and CPA Australia.

Annually, the AC reviews the appointment, performance and remuneration of the External Auditors before recommending them to the shareholders for re-appointment in the AGM. As part of the AC review processes, the AC will also obtain assurance from the External Auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Attendance at Meetings

During the financial year ended 30 June 2025, five (5) AC meetings were held and the attendance of each committee member is as follows:

Members	Number of meetings held during members’ tenure in office	No. of meetings attended by members
Ng Swee Weng	5	5
Amnah Apasra Emir Binti Moehamad Izat Emir	5	5
Ir Yeoh Yen Shiong	5	5

Upon invitation by the AC, members of the management team attended the AC meetings to assist in clarifying matters raised at the meetings as needed.

The AC will convene meeting with the External Auditors and Internal Auditors without the presence of the Executive Directors and employees of the Group as and when necessary. The External Auditors and Internal Auditors will present their reports on financial results, audit and other matters for the information and/or approval of the AC.

Minutes of the AC meetings were recorded and tabled for confirmation at the next following meeting and subsequently circulated to the Board for notation. The AC Chairman reports to the Board the discussions undertaken and makes recommendations for the Board’s consideration and decision.

Audit Committee Report

Attendance at Meetings (continued)

The detailed profiles of all members of the AC can be found in the Board of Directors' profile in this Annual Report.

The Internal Audit Function is carried out by an internal audit consulting firm. The team members of the internal audit team are accounting graduates from local universities. The Internal Auditors have performed its work with reference to the principles of the International Professional Practice Framework of Institute of Internal Auditors covering the conduct of the audit planning, execution, documentations, communication of findings and consultation with key stakeholders. The AC will review the internal audit engagement to ensure that the Internal Auditors' objectivity and independence are not impaired or affected.

Summary Of Activities During The Year

In line with the TOR, the AC held five (5) meetings during the financial year and carried out the following activities:

Financial Reporting

- Reviewed the unaudited quarterly financial reports before recommending to the Board for their approval and release of the Group's results to Bursa Malaysia Securities Berhad;
- Reviewed the annual audited financial statements of the Company and of the Group and its related notes to financial statements to ensure compliance with the provisions of the Companies Act 2016, MMLR, applicable Malaysia Financial Reporting Standards and other legal and regulatory requirements prior to the submission to the Board of Directors for their approval;
- Reviewed the inter-company transactions;
- The focus of review was on:
 - key audit matters and other significant audit matters;
 - significant matters highlighted including financial reporting issues, judgements made by management, significant and unusual events or transactions, and how these matters are addressed; and
 - reviewed the related party transactions ("RPT") report and noted that all the RPT were within the holding company and its wholly owned subsidiaries.

External Audit

- Reviewed the Audit Plan with the External Auditors;
- Reviewed the draft Audited Financial Statements and the results and issues arising from the audit and their resolutions with the External Auditors;
- Hold two meetings with the External Auditors without the presence of the Executive Directors or management, to deliberate on key areas of concern to the External Auditors and action necessary for the improvement of the Group arising from the audit review. The issues discussed were then highlighted by the AC Chairman to the Board;
- Reviewed and discussed with the External Auditors accounting standards and other legal requirements;
- Received update of newly effective accounting standards, pre-approval for non-assurance services, Transparency Report and sustainability reporting requirements from the External Auditors;
- Reviewed and endorsed the audit planning memorandum presented by the External Auditors on the scope of work and audit plan of the Group for the financial year ended 30 June 2025, proposed audit reporting schedule and new development on financial reporting standards applicable to the Group;
- The External Auditors also have not identified any breach of independence during the financial year ended 30 June 2025 and were in compliance with the independence requirements;
- Considered the audit fees paid to the External Auditors for the financial year ended 30 June 2025. The details of the audit and non-audit services rendered by the External Auditors and their affiliates for financial year ended 30 June 2025 are disclosed in Other Information of this Annual Report;
- Reviewed the extent of assistance rendered by management during audit at the private session; and
- Reviewed and evaluated the performance, effectiveness and independence of the External Auditors including assessment of their suitability and independence in performing their obligations and made recommendations to the Board of Directors on their appointment and remuneration.

Audit Committee Report

Summary Of Activities During The Year (continued)

Internal Audit

- Reviewed and approved the internal audit reports and audit recommendations made by the internal auditors, IA Essential Sdn. Bhd. (“IAE”) on Production of SKB Shutters Manufacturing Sdn. Bhd. and Updates on Sustainability Reporting Requirements;
- Reviewed management’s responses in regards to the internal audit findings. The internal auditors monitored the implementation of management action plan through follow-up audit to ensure all key risks and weaknesses were being addressed;
- Reviewed the Internal Audit Plan proposed by IAE;
- Reviewed the internal audit report on Conflict of Interest; and
- reviewed on ESG Implementation Status and 2024 Draft Sustainability Statement.

Other Matters

- Discussed and reviewed on Transfer Pricing, ERP system and e-Invoice;
- Reviewed the Group’s Enterprise Risk Register (“ERR”) which consists of risk assessment and action plan with redefined risk appetite and assessed on the emerging risks arising from time to time, there is no change to the Risk Register;
- Reviewed the following prior to the Board’s approval for inclusion in the Annual Report and to recommend the same to the Board for release to Bursa Malaysia Securities Berhad:
 - Corporate Governance Overview Statement (“CGOS”)
 - Statement on Risk Management and Internal Control (“SORMIC”) which provides an overview of the state of internal controls and risk management within the Group
 - Sustainability Statement
 - AC report
 - Corporate Governance Report (“CGR”)
- To review the Non-Assurance Services Pre-approval Policy;
- To review the Management Discussion and Analysis; and
- To discuss on the preparation of the Twenty-Seventh Annual General Meeting (“27th AGM”).

Performance of AC

The performance and activities of the AC and its members were reviewed on annual basis and the assessment results would be tabled to the Nominating Committee for review. During the financial year ended 30 June 2025, the Board is satisfied that the AC had discharged its responsibilities and duties in accordance with its TOR.

Internal Audit Function

The AC is aware of the importance of an independent and adequately resourced internal audit function in discharging its duties and responsibilities. The Company has outsourced its internal audit function to an independent internal audit services provider for the financial year ended 30 June 2025. The Internal Audit function is to assist the Board and the AC to evaluate the system of internal control, risk management and corporate governance whilst ensuring that there is an appropriate balance of controls and risks in achieving its business objectives. The Internal Audit reviews the effectiveness of the internal control structures over the Group’s activities focusing on high-risk areas.

The Internal Auditors independently reviews the risk identification practices and control processes implemented by the management and reports to the AC. The results of the reviews performed by the Internal Auditors were communicated to both Management and the AC together with the implementation status of audit recommendations for further improvement.

During the financial year, internal audit was conducted in the following areas:

- ESG Implementation Status and 2024 Draft Sustainability Statement
- Internal Audit Report on Conflict of Interest (“COI”) Review
- internal audit reports on Production of SKB Shutters Manufacturing Sdn. Bhd.
- internal audit reports on Updates on Sustainability Reporting Requirements & 2025 Action Plan

The total costs incurred for the internal audit function of the Company for the financial year was RM42,000.00. The details of the TOR of the AC are published in the corporate website at www.skb-shutters.com.

Directors' Report

For The Year Ended 30 June 2025

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 June 2025.

Principal activities

The Company is principally engaged in the investment holding activity, whilst the principal activities of the subsidiaries are as stated in Note 6 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Ultimate holding company

The Company is a subsidiary of SKB Glory Sdn. Bhd., of which is incorporated in Malaysia and regarded by the Directors as the Company's ultimate holding company, during the financial year and until the date of this report.

Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 6 to the financial statements.

Results

	Group RM	Company RM
Profit for the year attributable to owners of the Company	<u>25,799,285</u>	<u>8,655,436</u>

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividend

Since the end of previous financial year, the Company had declared and paid the following dividends :

- i) In respect of the financial year ended 30 June 2025 :
- A first interim dividend of 4 sen per ordinary share totalling RM7,780,193 was declared on 27 February 2025 and paid on 15 April 2025.
 - A second interim dividend of 2.5 sen per ordinary share totalling RM4,862,621 was declared on 28 August 2025 and paid on 17 October 2025.

The Directors do not recommend any final dividend to be paid for the financial year under review.

Directors of the Company

Directors who served during the financial year until the date of this report are :

Sin Kheng Lee - Chairman
Sin Siew Huey - Managing Director
Sin Ching San
Chou Lee Sin
Sin Tze Yi
Ng Swee Weng
Amnah Apasra Emir Binti Moehamad Izat Emir
Yeoh Yen Shiong

Directors' Report

For The Year Ended 30 June 2025

Directors of the subsidiaries

Directors of the subsidiaries (other than Directors of the Company) who served during the financial year until the date of this report are as follows :

Andrew Tan Han Hui (Appointed on 29 August 2025)
Tan Cheng Shun (Resigned on 29 August 2025)

Directors' interests in shares

The direct and deemed interests in the ordinary shares and warrants of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows :

	← Number of ordinary shares →			
	Balance at 1.7.2024	Transferred/ Warrants exercised/ Bought	(Sold)	Balance at 30.6.2025
Direct interests				
<u>The Company</u>				
Sin Kheng Lee - own	6,930,000	7,767,000	-	14,697,000
Sin Siew Huey - own	-	10,000	-	10,000
Sin Ching San - own	30,000	15,000	-	45,000
Chou Lee Sin - own	30,000	15,000	-	45,000
Sin Tze Yi - own	-	20,000	-	20,000
<u>Holding company</u>				
- SKB Glory Sdn. Bhd.				
Sin Kheng Lee - own	1,394,000	-	-	1,394,000
Sin Ching San - own	502,250	-	-	502,250
Deemed interests				
<u>The Company</u>				
Sin Kheng Lee - own	68,542,821	24,271,410	-	92,814,231
Sin Ching San - own	68,542,821	24,271,410	-	92,814,231
<u>Holding company</u>				
- SKB Glory Sdn. Bhd.				
Sin Kheng Lee - own	153,750	-	-	153,750

Directors' Report

For The Year Ended 30 June 2025

Directors' interests in shares (continued)

	← Number of Warrants →			Balance at 30.6.2025
	Balance at 1.7.2024	Transferred	Warrants exercised	
Direct interests				
<u>The Company</u>				
Sin Kheng Lee - own	3,465,000	1,434,000	(4,899,000)	-
Sin Ching San - own	15,000	-	(15,000)	-
Chou Lee Sin - own	15,000	-	(15,000)	-
Deemed interests				
<u>The Company</u>				
Sin Kheng Lee - own	24,271,410	-	(24,271,410)	-
Sin Ching San - own	24,271,410	-	(24,271,410)	-

By virtue of their interests in the shares of the Company, Messrs Sin Kheng Lee and Sin Ching San are also deemed to be interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other Directors holding office as at 30 June 2025 had any interest in the ordinary shares or warrants of the Company or its related corporations during the financial year. The warrants had expired on 10 February 2025.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) 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.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 30 June 2025 are as follows :

	From the Company RM	From subsidiary companies RM
Directors of the Company :		
Fees	285,000	-
Remuneration	-	3,993,400
Contributions to Employees' Provident Fund	-	479,220
Estimated monetary value of benefits-in-kind	-	12,116
	285,000	4,484,736

There were no arrangements during and at the end of the financial year which had the object 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 other than through the Warrants of the Company.

Issue of shares and debentures

During the financial year, the Company increased its issued and paid-up capital from RM46,321,154 to RM73,945,497 by way of allotment of 61,387,428 new ordinary shares at RM0.45 each through the exercise of warrants, for working capital purposes.

No debentures were issued during the financial year.

Directors' Report

For The Year Ended 30 June 2025

Warrants

On 16 February 2022, the Company issued 65,999,996 free warrants ("Warrants") on the basis of one (1) Warrant for every two (2) existing ordinary shares held in the Company. The Warrants entitle the holders to subscribe for one (1) new ordinary share in the Company on the basis of one (1) new ordinary share for every Warrant held at an exercise price of RM0.45 per ordinary share, to be satisfied in cash within three (3) years from the date of the issue of the Warrants, subject to adjustments in accordance with the provisions of the Deed Poll created on 20 January 2022. Any Warrant not exercised during the exercise period will lapse and thereafter ceases to be valid for any purpose.

During the financial year, there were 61,387,428 (2024 : 1,117,400) Warrants exercised. In the previous financial year, 64,882,596 Warrants remained unexercised. During the financial year, all the remaining unexercised Warrants of 3,495,168 had expired on 10 February 2025.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year apart from the warrants of the Company. The warrants had expired on 10 February 2025.

Indemnity and insurance costs

The amount of indemnity coverage and premium paid for public liability insurance during the financial year are RM10 million and RM16,750 respectively for Directors and officers of the Group and the Company.

There was no indemnity given to or insurance effected for auditors of the Company during the financial year.

Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that :

- i) all known bad debts have been written off and adequate provision made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances :

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist :

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 June 2025 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Directors' Report

For The Year Ended 30 June 2025

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration of the Group and of the Company during the year are RM165,000 and RM40,000 respectively.

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

.....
Sin Kheng Lee
Director

.....
Sin Siew Huey
Director

Penang,

Date : 22 October 2025

Statements of Financial Position

As at 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Assets					
Property, plant and equipment	3	48,814,432	32,247,811	-	-
Right-of-use assets	4	91,908,272	92,951,134	-	-
Investment properties	5	237,787	245,215	-	-
Investments in subsidiaries	6	-	-	17,522,940	17,522,940
Deferred tax assets	7	1,525,388	257,388	-	-
Trade receivables	8	7,469,766	5,275,670	-	-
Total non-current assets		149,955,645	130,977,218	17,522,940	17,522,940
Trade and other receivables	8	27,840,903	22,668,951	1,060	4,035,771
Inventories	9	57,992,848	51,249,514	-	-
Current tax assets		202,729	48,499	-	817
Short-term deposits placed with financial institutions	10	70,915,679	38,014,696	58,579,520	25,602,075
Cash and cash equivalents	11	4,355,006	5,389,564	95,750	576,663
Total current assets		161,307,165	117,371,224	58,676,330	30,215,326
Total assets		311,262,810	248,348,442	76,199,270	47,738,266
Equity					
Share capital	12	73,945,497	46,321,154	73,945,497	46,321,154
Reserves	13	104,163,829	86,091,702	1,914,922	1,039,679
Total equity attributable to owners of the Company		178,109,326	132,412,856	75,860,419	47,360,833
Liabilities					
Loans and borrowings	14	58,252,726	59,931,564	-	-
Lease liabilities		368,358	379,052	-	-
Deferred tax liabilities	7	-	122,000	-	-
Total non-current liabilities		58,621,084	60,432,616	-	-
Loans and borrowings	14	25,875,179	21,882,441	-	-
Lease liabilities		182,240	157,366	-	-
Trade and other payables	15	48,474,981	33,074,814	338,851	377,433
Current tax liabilities		-	388,349	-	-
Total current liabilities		74,532,400	55,502,970	338,851	377,433
Total liabilities		133,153,484	115,935,586	338,851	377,433
Total equity and liabilities		311,262,810	248,348,442	76,199,270	47,738,266

The notes on pages 55 to 89 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	16	137,702,065	115,730,844	7,800,000	-
Cost of sales		(83,602,132)	(74,626,778)	-	-
Gross profit		<u>54,099,933</u>	<u>41,104,066</u>	<u>7,800,000</u>	<u>-</u>
Other income		3,941,693	3,876,029	-	6
Selling and distribution expenses		(1,584,694)	(1,300,056)	(278)	(866)
Administrative expenses		(20,770,057)	(19,650,050)	(601,731)	(661,458)
Net loss on impairment of financial instruments	17	(58,494)	(171,374)	-	-
Other expenses		(344,682)	(364,886)	-	-
Results from operating activities		<u>35,283,699</u>	<u>23,493,729</u>	<u>7,197,991</u>	<u>(662,318)</u>
Finance income	17	1,983,850	1,059,656	1,457,445	842,558
Finance costs	18	(2,592,257)	(2,569,147)	-	-
Net finance (costs)/income		<u>(608,407)</u>	<u>(1,509,491)</u>	<u>1,457,445</u>	<u>842,558</u>
Profit before tax	17	<u>34,675,292</u>	<u>21,984,238</u>	<u>8,655,436</u>	<u>180,240</u>
Tax expense	20	(8,876,007)	(5,614,986)	-	-
Profit for the year		<u>25,799,285</u>	<u>16,369,252</u>	<u>8,655,436</u>	<u>180,240</u>
Other comprehensive income/(expense), net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operation		53,035	(12,002)	-	-
Total other comprehensive income/(expense) for the year, net of tax		<u>53,035</u>	<u>(12,002)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>25,852,320</u>	<u>16,357,250</u>	<u>8,655,436</u>	<u>180,240</u>
Profit for the year attributable to :					
Owners of the Company		<u>25,799,285</u>	<u>16,369,252</u>	<u>8,655,436</u>	<u>180,240</u>
Total comprehensive income for the year attributable to :					
Owners of the Company		<u>25,852,320</u>	<u>16,357,250</u>	<u>8,655,436</u>	<u>180,240</u>
Basic earnings per ordinary share (sen)	21	<u>16.06</u>	<u>12.40</u>		
Diluted earnings per ordinary share (sen)	21	<u>16.06</u>	<u>11.16</u>		

The notes on pages 55 to 89 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For The Year Ended 30 June 2025

	← Attributable to owners of the Company →				Total equity RM
	Share capital RM	Translation reserve RM	Capital reserve RM	Retained earnings RM	
At 1 July 2023	45,818,324	(333,173)	30,000	70,037,625	115,552,776
Other comprehensive expense for the year					
- Foreign currency translation differences for foreign operation	-	(12,002)	-	-	(12,002)
Profit for the year	-	-	-	16,369,252	16,369,252
Total comprehensive (expense)/ income for the year	-	(12,002)	-	16,369,252	16,357,250
Contributions by owners of the Company :					
- Issuance of shares arising from Warrants exercised	502,830	-	-	-	502,830
At 30 June 2024/At 1 July 2024	46,321,154	(345,175)	30,000	86,406,877	132,412,856
Other comprehensive income for the year					
- Foreign currency translation differences for foreign operation	-	53,035	-	-	53,035
Profit for the year	-	-	-	25,799,285	25,799,285
Total comprehensive income for the year	-	53,035	-	25,799,285	25,852,320
Contributions by and distributions to owners of the Company :					
- Issuance of shares arising from Warrants exercised (Note 12.2)	27,624,343	-	-	-	27,624,343
- Dividends paid to owners of the Company (Note 22)	-	-	-	(7,780,193)	(7,780,193)
At 30 June 2025	73,945,497	(292,140)	30,000	104,425,969	178,109,326
	Note 12	← Note 13 →			

The notes on pages 55 to 89 are an integral part of these financial statements.

Statement of Changes in Equity

For The Year Ended 30 June 2025

	← <i>Attributable to owners of the Company</i> →		
	Share capital RM	Retained earnings RM	Total equity RM
At 1 July 2023	45,818,324	859,439	46,677,763
Profit for the year representing total comprehensive income for the year	-	180,240	180,240
Contributions by owners of the Company :			
- Issuance of shares arising from Warrants exercised	502,830	-	502,830
At 30 June 2024/1 July 2024	46,321,154	1,039,679	47,360,833
Profit for the year representing total comprehensive income for the year	-	8,655,436	8,655,436
Contributions by and distributions to owners of the Company :			
- Issuance of shares arising from Warrants exercised (Note 12.2)	27,624,343	-	27,624,343
- Dividends paid to owners of the Company (Note 22)	-	(7,780,193)	(7,780,193)
At 30 June 2025	73,945,497	1,914,922	75,860,419
	Note 12	Note 13	

The notes on pages 55 to 89 are an integral part of these financial statements.

Statements of Cash Flows

For The Year Ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
Profit before tax		34,675,292	21,984,238	8,655,436	180,240
Adjustments for :					
Depreciation of :					
- property, plant and equipment	3	3,627,883	3,484,106	-	-
- right-of-use assets	4	1,232,080	1,335,285	-	-
- investment properties	5	7,428	7,428	-	-
Dividend income	16	-	-	(7,800,000)	-
Gain on disposal of plant and equipment	17	(136,582)	(106,079)	-	-
Gain on forfeiture of non-refundable deposits received	17	-	(34,331)	-	-
Net loss on impairment of financial instruments	17	58,494	171,374	-	-
Plant and equipment written off		2	3	-	-
Allowance of inventories written down	17	375,209	186,917	-	-
Investment in subsidiary written off		-	-	-	2
Interest income	17	(1,983,850)	(1,059,656)	(1,457,445)	(842,558)
Interest expense	18	2,592,257	2,569,147	-	-
Unrealised gain on foreign exchange	17	(18,641)	(343,602)	-	-
Operating profit/(loss) before changes in working capital		40,429,572	28,194,830	(602,009)	(662,316)
Changes in working capital :					
Inventories		(7,118,543)	(198,797)	-	-
Trade and other receivables		(7,437,379)	(3,501,998)	-	3,000
Trade and other payables		15,540,130	3,806,014	(38,582)	48,419
Cash generated from/ (used in) operations		41,413,780	28,300,049	(640,591)	(610,897)
Dividend received		-	-	7,800,000	-
Tax paid		(10,808,586)	(7,002,266)	817	-
Net cash from/(used in) operating activities		30,605,194	21,297,783	7,160,226	(610,897)

Statements of Cash Flows

For The Year Ended 30 June 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from investing activities					
Purchase of plant and equipment	A	(17,233,979)	(719,962)	-	-
Proceeds from disposal of plant and equipment		180,688	108,500	-	-
Repayment from subsidiaries, net		-	-	4,034,711	7,035,831
Interest received		1,983,850	1,059,656	1,457,445	842,558
Placement of short-term investment		(32,900,983)	(38,014,696)	(32,977,445)	(25,602,075)
Net cash used in investing activities		(47,970,424)	(37,566,502)	(27,485,289)	(17,723,686)
Cash flows from financing activities					
Drawdown of term loans		4,031,504	-	-	-
Repayment of term loans		(4,216,226)	(3,831,261)	-	-
Repayment of hire purchase creditors, net		(1,326,020)	(1,066,750)	-	-
Payment of lease liabilities		(175,038)	(174,372)	-	-
Issuance of shares arising from Warrants exercised (Note 12.2)		27,624,343	502,830	27,624,343	502,830
Changes in other borrowings, net		2,607,208	3,650,054	-	-
Interest paid		(3,898,371)	(3,958,652)	-	-
Dividend paid (Note 22)		(7,780,193)	-	(7,780,193)	-
Net cash from/(used in) financing activities		16,867,207	(4,878,151)	19,844,150	502,830
Net decrease in cash and cash equivalents		(498,023)	(21,146,870)	(480,913)	(17,831,753)
Effect of exchange rate fluctuation on cash and cash equivalents		(55,450)	355,820	-	-
Cash and cash equivalents at 1 July 2024/2023		3,119,213	23,910,263	576,663	18,408,416
Cash and cash equivalents at 30 June	B	2,565,740	3,119,213	95,750	576,663

NOTES

A. Purchase of property, plant and equipment - Group

During the financial year, the Group acquired property, plant and equipment as follows :

	Note	2025 RM	2024 RM
Purchase of property, plant and equipment	3	20,238,612	3,314,267
Less :			
- Acquired by means of hire purchase arrangements		(1,698,519)	(1,204,800)
- Capitalisation of borrowing cost as capital work-in-progress	3.4	(1,306,114)	(1,389,505)
		17,233,979	719,962

Statements of Cash Flows

For The Year Ended 30 June 2025

NOTES (continued)

B. Cash and cash equivalents

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts :

	Note	Group 2025 RM	2024 RM	Company 2025 RM	2024 RM
Cash and cash equivalents	11	4,355,006	5,389,564	95,750	576,663
Less :					
Bank overdrafts	14	(1,789,266)	(2,270,351)	-	-
		<u>2,565,740</u>	<u>3,119,213</u>	<u>95,750</u>	<u>576,663</u>

C. Cash outflows for leases as lessee - Group

	Note	2025 RM	2024 RM
Included in net cash from/(used in) operating activities			
Payment relating to short-term leases	17	769,397	514,590
Payment relating to leases of low-value assets	17	24,658	27,970
Included in net cash from/(used in) financing activities			
Interest paid in relation to lease liabilities	18	19,063	22,428
Payment of lease liabilities		175,038	174,372
Total cash outflows for leases		<u>988,156</u>	<u>739,360</u>

Statements of Cash Flows

For The Year Ended 30 June 2025

NOTES (continued)

D. Reconciliation of movements of liabilities to cash flows arising from financing activities - Group

	At 1.7.2023 RM	Hire purchase arrangement RM	Net changes from financing cash flows RM	At 30.6.2024/ 1.7.2024 RM	Hire purchase arrangement/ Addition of new leases RM	Drawdown of new term loan RM	Net changes from financing cash flows RM	At 30.6.2025 RM
Term loans	65,956,980	-	(3,831,261)	62,125,719	-	4,031,504	(4,216,226)	61,940,997
Hire purchase creditors	2,971,831	1,204,800	(1,066,750)	3,109,881	1,698,519	-	(1,326,020)	3,482,380
Lease liabilities	710,790	-	(174,372)	536,418	189,218	-	(175,038)	550,598
Other bank borrowings (excluding bank overdrafts)	10,658,000	-	3,650,054	14,308,054	-	-	2,607,208	16,915,262
Total liabilities from financing activities	80,297,601	1,204,800	(1,422,329)	80,080,072	1,887,737	4,031,504	(3,110,076)	82,889,237

The notes on pages 55 to 89 are an integral part of these financial statements.

Notes to the Financial Statements

1. Notes to the financial statements

SKB Shutters Corporation Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The address of its principal place of business and registered office is as follows :

Principal place of business / Registered office

Lot 22, Jalan Teknologi
Taman Sains Selangor 1
Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 30 June 2025 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”).

The Company is principally engaged in the investment holding activity. The principal activities of its subsidiaries are as stated in Note 6 to the financial statements.

The ultimate holding company during the financial year is SKB Glory Sdn. Bhd., a company incorporated in Malaysia.

These financial statements were authorised for issue by the Board of Directors on 22 October 2025.

2. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company :

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
 - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
 - Amendments to MFRS 7, *Financial Instruments: Disclosures*
 - Amendments to MFRS 9, *Financial Instruments*
 - Amendments to MFRS 10, *Consolidated Financial Statements*
 - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

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

Notes to the Financial Statements

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned standards and amendments where applicable, in the respective financial years when the above standards and amendments become effective.

The initial application of the above standards and amendments is not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currencies

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards 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 recognised 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 recognised in the financial statements other than those disclosed in Note 9.1 - Inventories.

Notes to the Financial Statements

3. Property, plant and equipment - Group

	Building and building improvements RM	Plant and machinery and equipment RM	Furniture, fittings, fixtures and equipment RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
Cost						
At 1 July 2023	32,748,632	46,399,939	20,304,446	7,269,123	215,276	106,937,416
Additions	-	1,087,029	313,773	420,757	1,492,708	3,314,267
Disposals	-	-	-	(594,838)	-	(594,838)
Write-off	-	-	(6,875)	-	-	(6,875)
At 30 June 2024/1 July 2024	32,748,632	47,486,968	20,611,344	7,095,042	1,707,984	109,649,970
Additions	-	883,415	1,794,804	1,124,340	16,436,053	20,238,612
Disposals	-	(378,000)	-	(853,884)	-	(1,231,884)
Write-off	-	(760,000)	-	-	-	(760,000)
At 30 June 2025	32,748,632	47,232,383	22,406,148	7,365,498	18,144,037	127,896,698

Notes to the Financial Statements

3. Property, plant and equipment - Group (continued)

	Building and building improvements RM	Plant and machinery RM	Furniture, fittings, fixtures and equipment RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
Accumulated depreciation						
At 1 July 2023	12,714,668	40,824,777	15,996,703	4,981,194	-	74,517,342
Depreciation for the year	644,527	1,163,899	919,146	756,534	-	3,484,106
Disposals	-	-	-	(592,417)	-	(592,417)
Write-off	-	-	(6,872)	-	-	(6,872)
At 30 June 2024/1 July 2024	13,359,195	41,988,676	16,908,977	5,145,311	-	77,402,159
Depreciation for the year	644,527	1,163,530	957,190	862,636	-	3,627,883
Disposals	-	(333,900)	-	(853,878)	-	(1,187,778)
Write-off	-	(759,998)	-	-	-	(759,998)
At 30 June 2025	14,003,722	42,058,308	17,866,167	5,154,069	-	79,082,266
Carrying amounts						
At 1 July 2023	20,033,964	5,575,162	4,307,743	2,287,929	215,276	32,420,074
At 30 June 2024/1 July 2024	19,389,437	5,498,292	3,702,367	1,949,731	1,707,984	32,247,811
At 30 June 2025	18,744,910	5,174,075	4,539,981	2,211,429	18,144,037	48,814,432

Notes to the Financial Statements

3. Property, plant and equipment - Group (continued)

3.1 Assets under hire purchase arrangements

The carrying amounts of plant and equipment acquired under hire purchase arrangements are as follows :

	2025	2024
	RM	RM
Plant and machinery	2,419,962	1,938,430
Motor vehicles	2,209,067	1,943,994
	<u>4,629,029</u>	<u>3,882,424</u>

3.2 Property, plant and equipment subject to operating lease

The Group leases part of its building to a third party. The lease contains a non-cancellable period of 3 years. Subsequent renewal is negotiated with the lessee.

The Group generally does not require a financial guarantee on the lease arrangement. Nevertheless, the Group requires two months of rental as deposit from the lessee. This lease does not include residual value guarantee.

The following are recognised in profit or loss :

	2025	2024
	RM	RM
Lease income	<u>3,462,222</u>	<u>3,348,120</u>

The operating lease payments to be received are as follows :

	2025	2024
	RM	RM
Less than one year	3,500,256	837,030
One to two years	3,500,256	-
Two to three years	875,064	-
Total undiscounted lease payments	<u>7,875,576</u>	<u>837,030</u>

3.3 Security

The building is charged to a licensed bank as security for the term loans facility granted to a subsidiary (see Note 14.1).

3.4 Capitalisation of borrowing costs

The Group's property, plant and equipment includes borrowing costs arising from term loan amounting to RM2,710,897 (2024 : RM1,404,783). During the financial year, the borrowing costs of RM1,306,114 (2024 : RM1,389,505) were capitalised as cost of capital work-in-progress.

3.5 Material accounting policy information

(a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Notes to the Financial Statements

3. Property, plant and equipment - Group (continued)

3.5 Material accounting policy information (continued)

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are as follows :

Building and building improvements	50 years
Plant and machinery	5 - 10 years
Furniture, fittings, fixtures and equipment	5 years
Motor vehicles	5 years

4. Right-of-use assets - Group

	Leasehold land RM	Forklifts RM	Total RM
At 1 July 2023	93,582,730	703,689	94,286,419
Depreciation	(1,154,966)	(180,319)	(1,335,285)
At 30 June 2024/1 July 2024	92,427,764	523,370	92,951,134
Additions	-	189,218	189,218
Depreciation	(1,053,943)	(178,137)	(1,232,080)
At 30 June 2025	<u>91,373,821</u>	<u>534,451</u>	<u>91,908,272</u>

The Group leases a number of forklifts and two (2024 : two) parcels of leasehold land that run between 5 years and 99 years (2024 : 5 years and 99 years) respectively.

4.1 Security

The leasehold land are charged to licensed banks as security for the term loans facility granted to a subsidiary (see Note 14.1).

4.2 Judgements and assumptions in relation to leases

The Group applied judgement and assumptions in determining the incremental borrowing rates of the leases of forklifts. Group entities first determine the closest available borrowing rates before using judgement to determine the adjustments required to reflect the term, security, value or economic environment of the leases.

4.3 Material accounting policy information

(a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

(b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the Financial Statements

5. Investment properties - Group

	Apartment and shop office RM
Cost	
At 1 July 2023/30 June 2024/1 July 2024/30 June 2025	<u>791,415</u>
Depreciation and impairment loss	
At 1 July 2023	
Accumulated depreciation	196,530
Accumulated impairment losses	342,242
	538,772
Depreciation for the year	7,428
At 30 June 2024/1 July 2024	
Accumulated depreciation	203,958
Accumulated impairment losses	342,242
	546,200
Depreciation for the year	7,428
At 30 June 2025	
Accumulated depreciation	211,386
Accumulated impairment losses	342,242
	<u>553,628</u>
Carrying amounts	
At 1 July 2023	<u>252,643</u>
At 30 June 2024/1 July 2024	<u>245,215</u>
At 30 June 2025	<u>237,787</u>

Investment properties comprise a number of commercial properties that are leased to third parties or vacant. No contingent rents are charged.

The following are recognised in profit or loss :

	2025 RM	2024 RM
Lease income	27,000	27,000
Direct operating expenses :		
- income generating investment properties	12,256	12,108
- non-income generating investment properties	1,147	1,123
	<u>13,403</u>	<u>13,231</u>

Notes to the Financial Statements

5. Investment properties - Group (continued)

5.1 Fair value information

The fair value of the investment properties of the Group is based on the Directors' estimation using the latest available market information and recent experience and knowledge in the location and category of properties being valued. The fair value of the investment properties as at 30 June 2025 is classified as level 3 fair value (2024 : level 3 fair value), estimated at approximately RM591,000 (2024 : RM585,000).

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There has been no transfer between the fair value levels during the financial year (2024 : no transfer in either directions).

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Significant unobservable inputs

Average price per square foot for apartment and shop office of the Group is ranging from RM228 to RM507 (2024 : RM228 to RM500).

The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

Estimation uncertainty and key assumptions

The Directors estimate the fair value of the Group's investment properties based on the following key assumptions :

- Comparison of the Group's investment properties with similar properties that were published for sale within the same locality or other comparable localities; and
- Enquiries from relevant property valuers and real estate agents on market conditions and changing market trends.

5.2 Material accounting policy information

Investment properties are measured subsequently at cost less any accumulated depreciation and any accumulated impairment.

Notes to the Financial Statements

6. Investments in subsidiaries - Company

	2025	2024
	RM	RM
Unquoted shares, at cost	17,548,945	17,548,945
Less: Impairment loss	(26,005)	(26,005)
	<u>17,522,940</u>	<u>17,522,940</u>

Details of the subsidiaries are as follows :

Name of entity	Principal place of business/ Country of incorporation	Effective ownership interest and voting interest		Principal activities
		2025	2024	
SKB Shutters Manufacturing Sdn. Bhd. ("SSM")	Malaysia	100%	100%	Manufacture and sale of roller shutters, racking systems, storage system and related steel products.
SKB Storage Industries Sdn. Bhd. ("STO")	Malaysia	100%	100%	Manufacture and sale of roller shutters, racking systems, storage system and related steel products.
SKB Shutters Industries Sdn. Bhd. ("SSI") ⁽¹⁾	Malaysia	-	100%	Dissolved.
SKB Shutters (S) Pte. Ltd. ("SSS") ⁽²⁾	Singapore	100%	100%	Trading of roller shutters, racking systems and storage systems.

Notes :

⁽¹⁾ Dissolved on 19 August 2024

⁽²⁾ Not audited by KPMG

6.1 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment loss.

Notes to the Financial Statements

7. Deferred tax assets/(liabilities) - Group Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following :

	Assets		Liabilities		Net	
	2025	2024	2025	2024	2025	2024
	RM	RM	RM	RM	RM	RM
Property, plant and equipment - capital allowances	-	-	(4,628,886)	(1,211,000)	(1,628,886)	(1,211,000)
Right-of-use assets			(1,493,726)	(1,628,612)	(1,493,726)	(1,628,612)
Lease liabilities	132,000	128,000	-	-	132,000	128,000
Interest expense capitalised	-	-	(650,000)	(333,000)	(650,000)	(333,000)
Contract liabilities	3,348,000	1,831,000	-	-	3,348,000	1,831,000
Provisions	1,818,000	1,349,000	-	-	1,818,000	1,349,000
Deferred tax assets/(liabilities)	5,298,000	3,308,000	(3,772,612)	(3,172,612)	1,525,388	135,388
Set off of tax	(3,772,612)	(3,050,612)	3,772,612	3,050,612	-	-
Net deferred tax assets/(liabilities)	1,525,388	257,388	-	(122,000)	1,525,388	135,388

Deferred tax assets and liabilities are offset when the entity has a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same authority. Deferred tax assets are recognised to the extent it is probable that future taxable profit will be available against which the Group entities can utilise the benefits therefrom.

Notes to the Financial Statements

7. Deferred tax assets/(liabilities) - Group (continued)

Recognised deferred tax assets/(liabilities) (continued)

Movements in temporary differences during the year are as follows :

	At 1.7.2023 RM	Recognised in profit or loss (Note 20) RM	At 30.6.2024/ 1.7.2024 RM	Recognised in profit or loss (Note 20) RM	At 30.6.2025 RM
Property, plant and equipment					
- capital allowances	(1,713,000)	502,000	(1,211,000)	(417,886)	(1,628,886)
Right-of-use assets	(1,810,498)	181,886	(1,628,612)	134,886	(1,493,726)
Lease liabilities	170,000	(42,000)	128,000	4,000	132,000
Interest expense capitalised	-	(333,000)	(333,000)	(317,000)	(650,000)
Contract liabilities	1,219,000	612,000	1,831,000	1,517,000	3,348,000
Provisions	1,508,000	(159,000)	1,349,000	469,000	1,818,000
	<u>(626,498)</u>	<u>761,886</u>	<u>135,388</u>	<u>1,390,000</u>	<u>1,525,388</u>

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross) :

	2025 RM	2024 RM
Tax losses carry-forward	<u>1,408,000</u>	<u>1,482,000</u>

The tax losses carry-forward of RM1,408,000 (2024 : RM1,482,000) for a subsidiary do not expire under the tax legislation in Singapore.

Deferred tax assets have not been recognised in respect of the tax losses carry-forward because it is not probable that future taxable profits will be available against which the subsidiary can utilise the benefits.

Notes to the Financial Statements

8. Trade and other receivables

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current					
Trade					
Retention sum		7,469,766	5,275,670	-	-
Current					
Trade					
Trade receivables		19,011,775	16,398,214	-	-
Retention sum		5,617,418	3,484,218	-	-
		24,629,193	19,882,432	-	-
Non-trade					
Amount due from subsidiaries	8.1	-	-	60	4,034,771
Other receivables		241,029	209,400	-	-
Deposits		1,035,060	798,958	1,000	1,000
Prepayments	8.2	1,935,621	1,778,161	-	-
		3,211,710	2,786,519	1,060	4,035,771
		27,840,903	22,668,951	1,060	4,035,771
Total trade and non-trade receivables		35,310,669	27,944,621	1,060	4,035,771

8.1 Amount due from subsidiaries - Company

The non-trade amount due from subsidiaries is unsecured, interest-free and repayable on demand.

8.2 Prepayments - Group

Included in prepayments of the Group is an amount of RM975,619 (2024 : RM1,063,943) representing advance payments made to suppliers for the purchase of raw materials.

8.3 Judgements and assumptions

The management reviews for impairment loss on trade receivables based on individual assessment for those receivables past due more than 90 days. This review requires judgement and estimates. Possible changes in the estimate could result in revision to the impairment loss on trade receivables.

9. Inventories - Group

	2025 RM	2024 RM
Raw materials	32,567,677	28,701,988
Work-in-progress	161,777	131,425
Manufactured inventories	25,263,394	22,416,101
	57,992,848	51,249,514

Notes to the Financial Statements

9. Inventories - Group (continued)

Recognised in profit or loss (included under cost of sales) :

	2025	2024
	RM	RM
Inventories recognised as cost of sales	83,226,923	74,439,861
Allowance of inventories written down	375,209	186,917
	<u>83,602,132</u>	<u>74,626,778</u>

9.1 Significant judgements and assumptions

In determining the amount of inventories to be written down, the Directors took into consideration the age of the inventories and the likelihood of future consumption. This review requires judgement and estimates. Possible changes in the estimate could result in revision to the valuation of inventories.

9.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in, first out method.

10. Short-term deposits placed with financial institutions

The above short-term deposits represent investment in money market funds which are invested in corporate bonds, commercial papers, money market deposits and cash equivalents. The short-term deposits are redeemable within a period of 3 to 7 days.

11. Cash and cash equivalents

	Note	Group		Company	
		2025	2024	2025	2024
		RM	RM	RM	RM
Cash and cash equivalents in the statements of financial position		4,355,006	5,389,564	95,750	576,663
Bank overdrafts	14	(1,789,266)	(2,270,351)	-	-
		<u>2,565,740</u>	<u>3,119,213</u>	<u>95,750</u>	<u>576,663</u>
Cash and cash equivalents in the statements of cash flows		2,565,740	3,119,213	95,750	576,663

12. Share capital - Group and Company

	Note	2025		2024	
		Amount	Number of	Amount	Number of
		RM	shares	RM	shares
Issued and fully paid ordinary shares with no par value classified as equity instruments					
At 1 July 2024/2023		46,321,154	133,117,400	45,818,324	132,000,000
Issuance of shares arising from warrants exercised	12.2	27,624,343	61,387,428	502,830	1,117,400
At 30 June		<u>73,945,497</u>	<u>194,504,828</u>	<u>46,321,154</u>	<u>133,117,400</u>

12.1 Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Notes to the Financial Statements

12. Share capital - Group and Company (continued)

12.2 Issuance of shares arising from warrants exercised

During the financial year, the Company increased its issued and paid-up capital from RM46,321,154 to RM73,945,497 (2024 : RM45,818,324 to RM46,321,154) by way of allotment of 61,387,428 (2024 : 1,117,400) new ordinary shares at RM0.45 (2024 : RM0.45) each through the exercise of warrants.

13. Reserves

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Capital reserve		30,000	30,000	-	-
Translation reserve	13.1	(292,140)	(345,175)	-	-
Retained earnings		104,425,969	86,406,877	1,914,922	1,039,679
		<u>104,163,829</u>	<u>86,091,702</u>	<u>1,914,922</u>	<u>1,039,679</u>

13.1 Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operation.

14. Loans and borrowings - Group

	Note	2025 RM	2024 RM
Non-current			
<i>Secured</i>			
Term loans		55,907,360	57,911,903
Hire purchase creditors		2,345,366	2,019,661
		<u>58,252,726</u>	<u>59,931,564</u>
Current			
<i>Secured</i>			
Term loans		6,033,637	4,213,816
Hire purchase creditors		1,137,014	1,090,220
		7,170,651	5,304,036
<i>Unsecured</i>			
Bank overdrafts	11	1,789,266	2,270,351
Bankers' acceptances		11,674,000	10,255,000
Revolving credits		4,000,000	4,053,054
Onshore foreign currency loans		1,241,262	-
		18,704,528	16,578,405
		<u>25,875,179</u>	<u>21,882,441</u>
Total loans and borrowings		<u>84,127,905</u>	<u>81,814,005</u>

Notes to the Financial Statements

14. Loans and borrowings - Group (continued)

14.1 Securities

The term loans are secured by the Group's land and building (see Notes 3.3 and 4.1).

The hire purchase creditors are effectively secured as the rights to the assets will be reverted to the hire purchase creditors in the event of default.

15. Trade and other payables

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Trade					
Trade payables		11,155,742	11,649,971	-	-
Non-trade					
Contract liabilities	15.1	22,095,268	12,925,359	-	-
Other payables		9,805,070	3,511,472	3,780	3,780
Accrued expenses		4,771,115	4,121,415	335,071	373,653
Deposits received		647,786	866,597	-	-
		37,319,239	21,424,843	338,851	377,433
		<u>48,474,981</u>	<u>33,074,814</u>	<u>338,851</u>	<u>377,433</u>

15.1 Contract liabilities

The contract liabilities represent advance payments from customers for which the Group has yet to transfer the goods or provide the services to the customers. The contract liabilities are expected to be recognised as revenue in the following financial year.

The changes to contract liabilities during the period are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Contract liabilities at beginning of the financial year recognised as revenue during the financial year	(12,925,359)	(11,348,446)	-	-
Advances received during the year	22,095,268	12,925,359	-	-

16. Revenue

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contracts with customers	137,702,065	115,730,844	-	-
Other revenue				
- Dividend income	-	-	7,800,000	-
Total revenue	<u>137,702,065</u>	<u>115,730,844</u>	<u>7,800,000</u>	<u>-</u>

Notes to the Financial Statements

16. Revenue (continued)

16.1 Disaggregation of revenue

	Group	
	2025	2024
	RM	RM
Timing and recognition		
At a point in time	<u>137,702,065</u>	<u>115,730,844</u>

Revenue from contracts with customers is mainly confined to one business segment. Revenue mainly consists of sale of roller shutters, racking systems, storage system and related steel products. Disaggregation of revenue based on geographical markets is disclosed in Note 24 to the financial statements.

16.2 Nature of goods and services

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms	Warranty
Project sales of roller shutters and doors	The Group manufactures the products and provides installation services at the customers' premises as the assets are created and enhanced. Project revenue is recognised at a point in time upon completion of installation as certified by the architects.	Credit period of 60 days from invoice date (based on milestones certified by architects).	Defect liability period between 1 to 2 years is given to the customers.
Sales of racking systems, storage system and related steel products	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers.	Credit period of 30 days to 60 days from invoice date.	Assurance warranties on mechanical parts of 1 year is given to customers.

There is no variable element in consideration, obligation for returns or refunds attached to the goods sold by the Group.

16.3 Transaction price allocated to the remaining performance obligations

The Group applies the practical expedient exemption in paragraph 121(a) of MFRS 15 on the exemption for disclosure of information on remaining performance obligations that have original expected durations of one year or less.

Notes to the Financial Statements

17. Profit before tax

Profit before tax is arrived at after charging/(crediting) :

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration :				
Audit fees				
- KPMG PLT	165,000	165,000	40,000	40,000
- Other auditors	11,526	12,132	-	-
Non-audit fees				
- KPMG PLT	4,000	4,000	4,000	4,000
- Affiliates of KPMG PLT	46,900	45,400	5,900	5,900
Depreciation of :				
- Property, plant and equipment (Note 3)	3,627,883	3,484,106	-	-
- Right-of-use assets (Note 4)	1,232,080	1,335,285	-	-
- Investment properties (Note 5)	7,428	7,428	-	-
Allowance of inventories written down (Note 9)	375,209	186,917	-	-
Research and development expenses (Note 17.1)	1,315,340	1,283,905	-	-
Finance income (Note 17.2)	(1,983,850)	(1,059,656)	(1,457,445)	(842,558)
Gain on disposal of plant and equipment	(136,582)	(106,079)	-	-
Gain on forfeiture of non-refundable deposits received	-	(34,331)	-	-
Loss/(Gain) on foreign exchange :				
- realised	45,451	324,007	-	-
- unrealised	(18,641)	(343,602)	-	-
Expenses/(Income) arising from leases				
Expenses relating to :				
- short-term leases (Note 17.3)	769,397	514,590	-	-
- leases of low-value assets (Note 17.3)	24,658	27,970	-	-
Income from leasing of :				
- Property, plant and equipment	(3,462,222)	(3,348,120)	-	-
- Investment properties	(27,000)	(27,000)	-	-
Net loss on impairment of financial instruments				
Impairment loss on trade and other receivables	58,494	171,374	-	-

17.1 Research and development expenses include Director's emoluments of RM828,632 (2024 : RM764,400).

17.2 Finance income represents interest income of financial assets calculated using the effective interest method that are at amortised cost.

17.3 The Group leases staff accommodations and equipment with contract term of 1 year or shorter. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Notes to the Financial Statements

18. Finance costs - Group

	2025	2024
	RM	RM
Interest expense of financial liabilities that are not at fair value through profit or loss	3,879,308	3,936,224
Interest expense on lease liabilities	19,063	22,428
Total interest payment	<u>3,898,371</u>	<u>3,958,652</u>
Less : Capitalisation of borrowing cost as capital work-in-progress	(1,306,114)	(1,389,505)
	<u><u>2,592,257</u></u>	<u><u>2,569,147</u></u>

19. Employee information

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Personnel costs (including key management personnel)	<u>22,774,976</u>	<u>19,043,213</u>	<u>285,000</u>	<u>275,000</u>

Personnel costs of the Group (including key management personnel) include contributions to the Employees' Provident Fund of RM1,257,368 (2024 : RM1,214,996).

Included in personnel costs and research and development expenses is compensation paid to key management personnel as follows :

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Directors' fees				
- current Directors	285,000	275,000	285,000	275,000
Directors' remuneration	3,993,400	3,660,000	-	-
Contributions to Employees' Provident Fund	479,220	439,200	-	-
	<u>4,757,620</u>	<u>4,374,200</u>	<u>285,000</u>	<u>275,000</u>

The estimated monetary value of Directors' benefits-in-kind of the Group and the Company are RM12,116 (2024 : RM10,600) and RM Nil (2024 : RM Nil) respectively.

Notes to the Financial Statements

20. Tax expense

Recognised in profit or loss

Major components of income tax expense include :

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense				
- Current year	9,834,000	6,067,000	-	-
- Under provision in prior year	432,007	309,872	-	-
Total current tax recognised in profit or loss	10,266,007	6,376,872	-	-
Deferred tax expense				
- Origination and reversal of temporary differences	(1,093,409)	(577,885)	-	-
- Over provision in prior year	(296,591)	(184,001)	-	-
Total deferred tax recognised in profit or loss	(1,390,000)	(761,886)	-	-
Total income tax expense	<u>8,876,007</u>	<u>5,614,986</u>	<u>-</u>	<u>-</u>

Reconciliation of tax expense

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit for the year	25,799,285	16,369,252	8,655,436	180,240
Total tax expense	8,876,007	5,614,986	-	-
Profit excluding tax	<u>34,675,292</u>	<u>21,984,238</u>	<u>8,655,436</u>	<u>180,240</u>
Income tax calculated using Malaysian tax rate of 24%	8,322,070	5,276,217	2,077,305	43,258
Effect of different tax rate in foreign jurisdiction	5,885	1,917	-	-
Non-deductible expenses	884,067	627,088	144,482	158,956
Tax exempt income	(349,787)	(202,110)	(2,221,787)	(202,214)
Non-taxable income	(142,081)	(133,292)	-	-
Effect of exchange rate on tax losses carry-forward	(17,760)	4,320	-	-
Reversal of deferred tax on revaluation surplus	(137,886)	(137,886)	-	-
Others	176,083	52,861	-	-
	<u>8,740,591</u>	<u>5,489,115</u>	<u>-</u>	<u>-</u>
Under provision in prior year	135,416	125,871	-	-
	<u>8,876,007</u>	<u>5,614,986</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements

21. Earnings per ordinary share - Group

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows :

	2025 RM	2024 RM
Profit for the year attributable to ordinary shareholders	<u>25,799,285</u>	<u>16,369,252</u>
	Number of units	Number of units
Issued ordinary shares at beginning of the financial year	133,117,400	132,000,000
Effect of warrants exercised during the year	27,538,359	48,380
Weighted average number of ordinary shares	<u>160,655,759</u>	<u>132,048,380</u>
	2025 sen	2024 sen
Basic earnings per ordinary share	<u>16.06</u>	<u>12.40</u>

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share was based on the profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows :

	2025 RM	2024 RM
Profit for the year attributable to ordinary shareholders	<u>25,799,285</u>	<u>16,369,252</u>
	Number of units	Number of units
Weighted average number of ordinary shares at 30 June (basic)	160,655,759	132,048,380
Effect of warrants	(1)	14,574,644 ⁽²⁾
Weighted average number of ordinary shares at 30 June (diluted)	<u>160,655,759</u>	<u>146,623,024</u>
	2025 sen	2024 sen
Diluted earnings per ordinary share	<u>16.06</u>	<u>11.16</u>

⁽¹⁾ No effect of the assumed exercise of warrants on the earnings per ordinary shares as any unexercised warrants had all expired on 10 February 2025.

⁽²⁾ The average market price of the Company's shares during the year for the purpose of calculating the dilutive effect of Warrants was based on quoted market prices for the period during which the Warrants were outstanding.

The unexercised warrants issued by the Company had all expired on 10 February 2025. Diluted earnings per share is therefore the same as basic earnings per share as the Company has no outstanding warrants or other potential convertibles that could potentially dilute earnings per share.

Notes to the Financial Statements

22. Dividends

The Company declared and paid dividends during the financial year:

	Sen per share	RM	Date of declaration	Date of payment
Dividends paid:				
2025				
First interim	4.0	<u>7,780,193</u>	27 February 2025	15 April 2025

A second interim dividend of 2.5 sen per ordinary share in respect of the financial year ended 30 June 2025 totalling RM4,862,621 was declared on 28 August 2025 and paid on 17 October 2025. As the dividend was declared subsequent to the financial year, the dividend will be accounted for as an appropriation of retained earnings in the financial year ending 30 June 2026.

23. Related parties

Significant related party transactions

The significant related party transactions of the Group and the Company are shown below. The balances related to the significant related party transactions are shown in Note 8 to the financial statements.

(a) Transactions with subsidiaries

	Company 2025 RM	2024 RM
Dividend income	<u>7,800,000</u>	<u>-</u>

(b) Transactions with Directors and key management personnel

There were no transactions with the Directors and key management personnel other than the remuneration package paid to them in accordance with the terms and conditions of their appointment as disclosed in Note 19 to the financial statements.

24. Operating segments - Group

The Group is principally involved in the manufacture and sale of roller shutters, racking systems, storage system and related steel products which are principally carried out in Malaysia. Management monitors the Group's operating results as one business unit due to the similar nature and economic characteristics of the products. The products within the business unit do not require materially different technology, operational and marketing strategies. Accordingly, information by operating segments on the Group's operations as required by MFRS 8 is not presented.

Geographical information

Revenue and non-current assets information are based on the geographical location of customers and assets respectively. The amounts of non-current assets do not include financial instruments and deferred tax assets.

	← Revenue →		← Non-current assets →	
	RM 2025	RM 2024	RM 2025	RM 2024
Malaysia	118,520,288	93,517,123	140,960,491	125,444,160
Asia (excluding Malaysia)	9,856,249	11,814,636	-	-
Oceania	5,606,143	6,242,598	-	-
Middle East	3,413,696	3,932,893	-	-
Others	305,689	223,594	-	-
	<u>137,702,065</u>	<u>115,730,844</u>	<u>140,960,491</u>	<u>125,444,160</u>

Notes to the Financial Statements

25. Capital commitment - Group

	2025 RM	2024 RM
Property, plant and equipment - Contracted but not provided for	<u>33,549,117</u>	<u>973,835</u>

26. Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC").

Group	Carrying amount RM	AC RM
2025		
Financial assets		
Trade and other receivables (excluding prepayments)	33,375,048	33,375,048
Short-term deposits placed with financial institutions	70,915,679	70,915,679
Cash and cash equivalents	4,355,006	4,355,006
	<u>108,645,733</u>	<u>108,645,733</u>
Financial liabilities		
Loan and borrowings	84,127,905	84,127,905
Trade and other payables	26,379,713	26,379,713
	<u>110,507,618</u>	<u>110,507,618</u>
2024		
Financial assets		
Trade and other receivables (excluding prepayments)	26,166,460	26,166,460
Short-term deposits placed with financial institutions	38,014,696	38,014,696
Cash and cash equivalents	5,389,564	5,389,564
	<u>69,570,720</u>	<u>69,570,720</u>
Financial liabilities		
Loan and borrowings	81,814,005	81,814,005
Trade and other payables	20,149,455	20,149,455
	<u>101,963,460</u>	<u>101,963,460</u>

Notes to the Financial Statements

26. Financial instruments (continued)

26.1 Categories of financial instruments (continued)

Company	Carrying amount RM	AC RM
2025		
Financial assets		
Trade and other receivables (excluding prepayments)	1,060	1,060
Short-term deposits placed with financial institutions	58,579,520	58,579,520
Cash and cash equivalents	95,750	95,750
	<u>58,676,330</u>	<u>58,676,330</u>
Financial liabilities		
Trade and other payables	<u>338,851</u>	<u>338,851</u>
2024		
Financial assets		
Trade and other receivables (excluding prepayments)	4,035,771	4,035,771
Short-term deposits placed with financial institutions	25,602,075	25,602,075
Cash and cash equivalents	576,663	576,663
	<u>30,214,509</u>	<u>30,214,509</u>
Financial liabilities		
Trade and other payables	<u>377,433</u>	<u>377,433</u>

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Net gains/(losses) on :				
Financial assets at amortised cost				
- Finance income	1,983,850	1,059,656	1,457,445	842,558
- Impairment loss on financial instruments	(58,494)	(171,374)	-	-
- Net foreign exchange (loss)/gain	(290,292)	337,846	-	-
	1,635,064	1,226,128	1,457,445	842,558
Financial liabilities at amortised cost				
- Finance cost	(2,573,194)	(2,546,719)	-	-
- Net foreign exchange gain/(loss)	263,482	(318,251)	-	-
- Gain on forfeiture of non-refundable deposits received	-	34,331	-	-
	(2,309,712)	(2,830,639)	-	-
	<u>(674,648)</u>	<u>(1,604,511)</u>	<u>1,457,445</u>	<u>842,558</u>

Notes to the Financial Statements

26. Financial instruments (continued)

26.3 Financial risk management

The Group has exposures to the following risks from its use of financial instruments :

- Credit risk
- Liquidity risk
- Market risk

26.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given to banks and suppliers for credit facilities granted to subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group or the Company assesses whether any of the trade receivables is credit impaired.

The gross carrying amount of credit impaired trade receivables is written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

The exposure of credit risk for trade receivables as at the end of the reporting period by geographical region was :

	Group	
	2025 RM	2024 RM
Malaysia	32,007,877	24,522,483
Asia (excluding Malaysia)	91,082	614,672
Middle east	-	20,947
	<u>32,098,959</u>	<u>25,158,102</u>

Notes to the Financial Statements

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within credit terms granted. The Group's debt recovery process is as follows :

- a) Above 30 days past due after credit term, the Group will start to initiate a structured debt recovery process which is monitored by the credit controller; and
- b) Above 90 days past due, the Group will commence a legal proceeding against the customer.

The Group uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables for all trade receivables except for project-based customers. Invoices which are past due 90 days will be considered as credit impaired.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency to 90 days past due.

Loss rates are based on actual credit loss experience over the past three years. The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

For project-based customers, the Group assessed the risk of loss of each customer individually based on past trend of payments. All of these customers have low risk of default.

The following table provides information about the exposure to credit risk and ECLs for trade receivables.

	Gross carrying amount RM	Loss allowance RM	Net balance RM
Group			
2025			
Current (not past due)	29,966,528	-	29,966,528
1 - 90 days past due	1,991,344	-	1,991,344
	31,957,872	-	31,957,872
Credit impaired			
91 - 180 days past due	113,336	-	113,336
181 - 270 days past due	-	-	-
More than 270 days past due	27,751	-	27,751
Individually impaired	946,456	(946,456)	-
	33,045,415	(946,456)	32,098,959

Notes to the Financial Statements

26. Financial instruments (continued)

26.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

Group	Gross carrying amount RM	Loss allowance RM	Net balance RM
2024			
Current (not past due)	19,230,116	-	19,230,116
1 - 90 days past due	5,376,845	-	5,376,845
	24,606,961	-	24,606,961
Credit impaired			
91 - 180 days past due	250,254	-	250,254
181 - 270 days past due	296,003	-	296,003
More than 270 days past due	4,884	-	4,884
Individually impaired	2,201,587	(2,201,587)	-
	27,359,689	(2,201,587)	25,158,102

There are trade receivables where the Group has not recognised any loss allowance as the trade receivables are supported by subsequent collection after the reporting period in managing exposure to credit risk.

The movements in the allowance for impairment in respect of trade receivables during the financial year are as shown below.

Group	Trade receivables - credit impaired	
	2025 RM	2024 RM
Balance at 1 July 2024/2023	2,201,587	2,155,573
Net remeasurement of loss allowance (Note 17)	58,494	171,374
Write-off	(1,313,625)	(125,360)
Balance at 30 June	946,456	2,201,587

Short-term deposits placed with financial institutions and cash and cash equivalents

The above are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Notes to the Financial Statements

26. Financial instruments (continued)

26.4 Credit risk (continued)

Other receivables

Credit risk on other receivables are mainly arising from staff advances, deposits paid for utilities and membership for golf club.

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

As at the end of the reporting period, the Group recognised allowance for impairment losses on other receivables amounted to RM Nil (2024 : RM51,960). During the financial year, RM51,960 had been written off.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks and suppliers in respect of facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their banking facilities on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM85,936,453 (2024 : RM82,208,072) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

Financial guarantees provided to the suppliers of certain subsidiaries are to secure the amount payable of RM1,322,252 (2024 : RM1,443,027) as at the end of the reporting period.

Recognition and measurement of impairment loss

The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. The Company considers a financial guarantee to be credit impaired when :

- The subsidiary is unlikely to repay its credit obligation to the bank or supplier in full; or
- The subsidiary is continuously loss making and is having a deficit shareholder's fund.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

As at the end of the reporting period, the Company did not recognise any allowance for impairment loss in respect of the financial guarantees as the probability of the subsidiaries defaulting on the banking facilities is remote.

Inter-company advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances on an individual basis.

Exposure to credit risk, credit quality and collateral

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

Advances are only provided to subsidiaries which are wholly-owned by the Company, and are not secured by any collateral or supported by any other credit enhancements.

Notes to the Financial Statements

26. Financial instruments (continued)

26.4 Credit risk (continued)

Inter-company advances (continued)

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries to be with low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly.

As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's advance to be credit impaired when :

- The subsidiary is unlikely to repay its advances to the Company in full; or
- The subsidiary is continuously loss making and is having a deficit shareholder's fund.

The Company determines the probability of default for these advances individually using internal information available.

The following table provides information about the exposure to credit risk and ECLs for subsidiaries' advances.

	Gross carrying amount RM	Impairment loss allowance RM	Net balance RM
Company			
2025			
Low credit risk	60	-	60
Credit impaired	1,147,147	(1,147,147)	-
	<u>1,147,207</u>	<u>(1,147,147)</u>	<u>60</u>
2024			
Low credit risk	4,034,771	-	4,034,771
Credit impaired	1,147,147	(1,147,147)	-
	<u>5,181,918</u>	<u>(1,147,147)</u>	<u>4,034,771</u>

26.5 Liquidity risk

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

The Group and the Company maintain a level of cash and cash equivalents and banking facilities deemed adequate by the management to ensure, as far as possible, that they will have sufficient liquidity to meet their liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

Notes to the Financial Statements

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

2025	Carrying amount RM	Contractual interest rate/ Discount rate per annum %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
<i>Non-derivative financial liabilities</i>							
Group							
Term loans	61,940,997	4.45 - 4.83	81,330,173	10,007,726	10,105,354	20,122,941	41,094,152
Hire purchase creditors	3,482,380	1.88 - 4.55	3,821,352	1,293,735	1,009,548	1,518,069	-
Lease liabilities	550,598	3.00 - 3.60	580,800	198,000	192,000	190,800	-
Bank overdrafts	1,789,266	6.70	1,789,266	1,789,266	-	-	-
Bankers' acceptances	11,674,000	4.80 - 5.53	11,674,000	11,674,000	-	-	-
Revolving credits	4,000,000	5.14 - 5.42	4,000,000	4,000,000	-	-	-
Onshore foreign currency loans	1,241,262	3.70 - 6.15	1,241,262	1,241,262	-	-	-
Trade and other payables	26,379,713	-	26,379,713	26,379,713	-	-	-
	111,058,216		130,816,566	56,583,702	11,306,902	21,831,810	41,094,152
Company							
Trade and other payables	338,851	-	338,851	338,851	-	-	-
Financial guarantees	-	-	87,258,705	87,258,705	-	-	-
	338,851		87,597,556	87,597,556	-	-	-

Notes to the Financial Statements

26. Financial instruments (continued)

26.5 Liquidity risk (continued)

Maturity analysis (continued)

2024	Carrying amount RM	Contractual interest rate/ Discount rate per annum %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
<i>Non-derivative financial liabilities</i>							
Group							
Term loans	62,125,719	4.45 - 4.75	81,608,443	6,992,013	6,899,071	20,113,413	47,603,946
Hire purchase creditors	3,109,881	1.88 - 3.63	3,414,870	1,228,341	867,545	1,318,984	-
Lease liabilities	536,418	3.40 - 3.60	624,900	227,700	157,200	240,000	-
Bank overdrafts	2,270,351	6.70 - 8.14	2,270,351	2,270,351	-	-	-
Bankers' acceptances	10,255,000	4.86 - 5.43	10,255,000	10,255,000	-	-	-
Revolving credits	4,053,054	5.06 - 5.32	4,053,054	4,053,054	-	-	-
Trade and other payables	20,149,455	-	20,149,455	20,149,455	-	-	-
	<u>102,499,878</u>		<u>122,376,073</u>	<u>45,175,914</u>	<u>7,923,816</u>	<u>21,672,397</u>	<u>47,603,946</u>
Company							
Trade and other payables	377,433	-	377,433	377,433	-	-	-
Financial guarantees	-	-	83,651,099	83,651,099	-	-	-
	<u>377,433</u>		<u>84,028,532</u>	<u>84,028,532</u>	-	-	-

Notes to the Financial Statements

26. Financial instruments (continued)

26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases, cash and cash equivalents and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currency giving rise to this risk is primarily U.S. Dollar ("USD").

Risk management objectives, policies and processes for managing the risk

It is generally the Group's practice not to enter into foreign exchange contracts in managing its foreign exchange risk resulting from cash flows from transactions denominated in foreign currency.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the functional currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was :

	Group	
	2025	2024
	RM	RM
Denominated in USD		
Trade and other receivables (excluding prepayments)	115,368	635,545
Cash and cash equivalents	2,507,188	2,801,626
Trade and other payables	(2,355,723)	(1,533,887)
Net exposure	266,833	1,903,284

Currency risk sensitivity analysis

Foreign currency risk arises from Group entities which have a Ringgit Malaysia ("RM") functional currency. The exposure to currency risk of Group entities which do not have a RM functional currency is not material and hence, sensitivity analysis is not presented.

A 10% (2024 : 10%) strengthening of the RM against USD at the end of the reporting period would have decreased post-tax profit by RM20,279 (2024 : RM144,650). This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted transactions.

A 10% (2024 : 10%) weakening of the RM against USD at the end of the reporting period would have had equal but opposite effect on USD to the amount shown above, on the basis that all other variables remained constant.

Notes to the Financial Statements

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.2 Interest rate risk

The Group's fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

Risk management objectives, policies and processes for managing the risk

The Group is presently enjoying competitive interest rates which are reviewed and negotiated on a yearly basis. The Group manages their interest rate risk by having a combination of borrowings with floating and fixed rates.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was :

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Fixed rate instruments				
Financial liabilities	(20,948,240)	(17,954,353)	-	-
Floating rate instruments				
Financial assets	70,915,679	38,014,696	58,579,520	25,602,075
Financial liabilities	(63,730,263)	(64,396,070)	-	-
	<u>7,185,416</u>	<u>(26,381,374)</u>	<u>58,579,520</u>	<u>25,602,075</u>

Interest rate risk sensitivity analysis

(a) *Fair value sensitivity analysis for fixed rate instruments*

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

(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 50 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

Notes to the Financial Statements

26. Financial instruments (continued)

26.6 Market risk (continued)

26.6.2 Interest rate risk (continued)

Interest rate risk sensitivity analysis (continued)

(b) *Cash flow sensitivity analysis for variable rate instruments (continued)*

	Profit or loss	
	50 bp increase RM	50 bp decrease RM
Group		
2025		
Floating rate instruments	<u>27,305</u>	<u>(27,305)</u>
2024		
Floating rate instruments	<u>(100,249)</u>	<u>100,249</u>
Company		
2025		
Floating rate instruments	<u>222,602</u>	<u>(222,602)</u>
2024		
Floating rate instruments	<u>97,288</u>	<u>(97,288)</u>

26.7 Fair value information

The carrying amounts of short-term deposits placed with financial institutions, cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The non-current trade receivables represent solely the retention sum which are not expected to be received within a year. No discounting shall apply and the retention sum represents its fair value since it is by no means with element of financing but more of performance security required by customers.

Notes to the Financial Statements

26. Financial instruments (continued)

26.7 Fair value information (continued)

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

Group	Fair value of financial instruments not carried at fair value				Total fair value RM	Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM		
Financial liabilities						
2025						
Term loans	-	-	(61,941,000)	(61,941,000)	(61,941,000)	(61,940,997)
Hire purchase creditors	-	-	(3,482,000)	(3,482,000)	(3,482,000)	(3,482,380)
	-	-	(65,423,000)	(65,423,000)	(65,423,000)	(65,423,377)
2024						
Term loans	-	-	(62,126,000)	(62,126,000)	(62,126,000)	(62,125,719)
Hire purchase creditors	-	-	(3,110,000)	(3,110,000)	(3,110,000)	(3,109,881)
	-	-	(65,236,000)	(65,236,000)	(65,236,000)	(65,235,600)

The Group and the Company did not have any financial instruments that were carried at fair value at the end of reporting period.

Policy on transfer between levels

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

There has been no transfer between the fair value levels during the financial year (2024 : no transfer in either directions).

Level 3 fair value

Non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period. The fair value of the loans and borrowings is calculated using discounted cash flows where the market rate of interest is determined by reference to similar borrowing arrangements.

Notes to the Financial Statements

27. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and determined to maintain an optimal debt-to-equity ratio that complied with debt covenants and regulatory requirements.

The debt-to-equity ratios were as follows :

	Group	
	2025	2024
	RM	RM
Loans and borrowings (Note 14)	84,127,905	81,814,005
Lease liabilities	550,598	536,418
Less : short-term deposits placed with financial institutions (Note 10)	(70,915,679)	(38,014,696)
Less : cash and cash equivalents (Note 11)	(4,355,006)	(5,389,564)
Net debt	<u>9,407,818</u>	<u>38,946,163</u>
Total equity	<u>178,109,326</u>	<u>132,412,856</u>
Debt-to-equity ratio	<u>0.05</u>	<u>0.29</u>

There were no changes in the Group's approach to capital management during the financial year.

Statement by Directors

pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 47 to 89 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 June 2025 and of their financial performance and cash flows for the financial year then ended.

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

.....
Sin Kheng Lee

Director

.....
Sin Siew Huey

Director

Penang,

Date : 22 October 2025

Statutory Declaration

pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Sin Siew Huey**, the Director primarily responsible for the financial management of SKB Shutters Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 47 to 89 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed **Sin Siew Huey**, NRIC: 820805-10-5402, MIA CA30773, at George Town in the State of Penang on 22 October 2025.

.....
Sin Siew Huey

Before me :

Goh Suan Bee
(No. P125)
Commissioner for Oaths
Penang

Independent Auditors' Report

to the members of SKB Shutters Corporation Berhad

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SKB Shutters Corporation Berhad, which comprise the statements of financial position as at 30 June 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 47 to 89.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2025, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of inventories Refer to Note 2(d) (<i>basis of preparation - use of estimates and judgements</i>) and Note 9 (<i>Inventories</i>)	
The key audit matter	How the matter was addressed in our audit
<p>The Group has inventories amounting to RM58 million, representing 36% of the Group's total current assets as at 30 June 2025.</p> <p>In determining the amount of inventories to be written down, the Directors took into consideration the age of the inventories and the likelihood of future consumption. This review requires judgement and estimates. Possible changes in the estimate could result in revision to the valuation of inventories. With the significance of the balance and the level of judgement required to assess the amount of allowance needed for the slow moving and obsolete inventories, valuation of inventories has been identified as one of the key audit matters</p>	<p>Our audit procedures included, amongst others :</p> <ul style="list-style-type: none">• Tested the accuracy of inventories ageing reports by testing the goods received notes, production records and other relevant underlying documentation to their respective age brackets on a sampling basis;• Assessed the Directors' procedures and challenged the key assumptions made in identifying and writing down the slow moving and obsolete inventories and evaluated the adequacy of write down based on the past trends;• Assessed whether any significant items identified as damaged, slow moving or obsolete during the inventory count observation were written down; and• Assessed whether the inventories were carried at the lower of cost and net realisable value by comparing their carrying amounts against the selling prices after year end less estimated selling expenses.

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditors' report.

Independent Auditors' Report

to the members of SKB Shutters Corporation Berhad

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual 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 Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- 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 ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

Independent Auditors' Report

to the members of SKB Shutters Corporation Berhad

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

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiary of which we have not acted as auditors is disclosed in Note 6 to the financial statements.

Other Matter

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

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Penang

Date : 22 October 2025

Lee Phaik Im
Approval Number : 03177/05/2027 J
Chartered Accountant

List of Properties

At as 30 June 2025

No.	Description/Address	Date Revaluation	Tenure	Area	Existing Use	Carrying amount 30/06/2025 RM
LAND						
1	Lot 22, Jalan Teknologi Taman Sains Selangor 1 Kota Damansara 47810 Petaling Jaya	28/06/2011	* Leasehold - 99 years expiring 2106	48,637 sq.m.	Factory	56,226,162
2	PT 10562, Mukim of Ijok District of Kuala Selangor Selangor Darul Ehsan		Leasehold - 99 years expiring 2101	474,900 sq.m.	Vacant	35,147,659
BUILDING						
1	Lot 22, Jalan Teknologi Taman Sains Selangor 1 Kota Damansara 47810 Petaling Jaya	28/06/2011	Leasehold - 99 years expiring 2106	336,263 sq.ft.	Factory	18,744,910
2	Corporate Tower Subang Square CT-01-17, Jln SS 15/4G 47500 Subang Jaya, Selangor	28/06/2011	Freehold	810 sq.ft.	Rent	174,980
3	Kota Point Shopping Complex, Lot LG-20 Grant No.: 15702, Lot 346 Jalan Lombong Kota Tinggi Johor	Not Applicable	Freehold	28 sq.m.	Vacant	1
4	Kiambang Apartment C-1-12, Jln Putra Perdana 5F Taman Putra Perdana 47100 Puchong, Selangor	28/06/2011	Leasehold - 99 years expiring 2093	790 sq.ft.	Vacant	62,806
Total						110,356,518

* On 19 January 2016, the Group acquired 99 years leasehold land which was previously leased for 30 years.

Analysis of Shareholdings

At as 30 September 2025

ISSUED AND FULLY PAID-UP CAPITAL	: RM73,945,496.60
CLASS OF SHARE	: Ordinary shares of RM1 each fully paid
VOTING RIGHTS	: On a show of hands - one vote for every shareholder On a poll - one vote for every ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	No. of shareholders	% of shareholders	No. of shares	% of shares
Less than 100	11	0.4922	305	0.0002
100 - 1,000	184	8.2327	110,400	0.0568
1,001 - 10,000	1,141	51.0515	6,048,800	3.1098
10,001 - 100,000	766	34.2729	25,472,800	13.0962
100,001 - 9,725,241*	130	5.8166	55,674,292	28.6236
9,725,242 - 194,504,828**	3	0.1342	107,198,231	55.1134
Total	2,235	100.0000	194,504,828	100.0000

Remark : * Less than 5% of issued Shares
: ** 5% and above of issued Shares

SUBSTANTIAL SHAREHOLDERS

Name	Direct Interest	% of Issued Capital	Indirect Interest	% of Issued Capital
1 SKB Glory Sdn. Bhd.	92,814,231	47.7182	-	-
2 Sin Kheng Lee	14,697,000	7.5561	92,859,231 *	47.7414
3 Chou Lee Sin	45,000	0.0231	107,511,231 #	55.2743
4 Sin Ching San	45,000	0.0231	92,814,231 ^	47.7182

* Deemed interest via SKB Glory Sdn. Bhd. and spouse
Deemed interest via spouse
^ Deemed interest via SKB Glory Sdn. Bhd.

DIRECTORS' SHAREHOLDINGS

	Direct Interest	%	Indirect Interest	%
The Company				
1 Sin Kheng Lee	14,697,000	7.5561	92,859,231 *	47.7414
2 Chou Lee Sin	45,000	0.0231	107,511,231 #	55.2743
3 Sin Ching San	45,000	0.0231	92,814,231 ^	47.7182
4 Sin Siew Huey	10,000	0.0051	-	-
5 Sin Tze Yi	20,000	0.0103	-	-
6 Ng Swee Weng	-	-	-	-
7 Amnah Apasra Emir Binti Moehamad Izat Emir	-	-	-	-
8 Ir Yeoh Yen Shiong	-	-	-	-
Holding Company - SKB Glory Sdn. Bhd.				
1 Sin Kheng Lee	1,394,000	68.0000	153,750 @	7.5000
2 Sin Ching San	502,250	24.5000	-	-
3 Chou Lee Sin	-	-	1,547,750 #	75.5000

* Deemed interest via SKB Glory Sdn. Bhd. and spouse
Deemed interest via spouse
^ Deemed interest via SKB Glory Sdn. Bhd.
@ Deemed interest via Lembah Segar Sdn. Bhd.

Note: By virtue of their interest of more than 20% in the Ordinary Shares of the Company, Messrs Sin Kheng Lee and Sin Ching San are also deemed to have interest in the Ordinary Shares of all the subsidiaries to the extent that the Company has an interest.

Analysis of Shareholdings

At as 30 September 2025

LIST OF 30 LARGEST SHAREHOLDERS

NO.	NAME	HOLDINGS	%
1	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SKB GLORY SDN. BHD.	71,171,410	36.591
2	SKB GLORY SDN BHD	21,642,821	11.127
3	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIN KHENG LEE	14,384,000	7.395
4	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	5,665,500	2.913
5	LEE CHEE BENG	3,311,500	1.703
6	MOHD HAFIZ BIN HASHIM	2,955,717	1.520
7	DAUD BIN DAROS	2,940,717	1.512
8	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	2,480,000	1.275
9	TAN AIK CHOON	1,646,400	0.846
10	OOI SAY TUAN	1,500,000	0.771
11	AZIZ BIN BAHAMAN	1,301,858	0.669
12	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEE JEN TONG (7003685)	1,243,200	0.639
13	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR DANA MAKMUR PHEIM (211901)	1,026,600	0.528
14	EASTWAY COMNAGA SDN. BHD.	1,000,000	0.514
15	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN KOK SAN	1,000,000	0.514
16	OOI SAY TUAN	750,000	0.386
17	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CACEIS BANK (CBLB-AIFCLNODT)	711,000	0.366
18	LEE LAM KEIONG	654,000	0.336
19	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT SHARIAH PROGRESS PLUS FUND	634,400	0.326
20	MAYBANK NOMINEES (TEMPATAN) SDN BHD PHEIM ASSET MANAGEMENT SDN BHD FOR BENTA WAWASAN SDN BHD (A/C 95-230135)	608,500	0.313
21	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN BHD	590,200	0.303
22	LEE BENG YONG	543,000	0.279
23	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE INVESTMENT AL-FAID (4389)	533,900	0.274
24	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LEE JIAN TAK	523,000	0.269
25	HEE YAU SING	500,000	0.257
26	MAYBANK NOMINEES (TEMPATAN) SDN BHD HO KING PIENG	500,000	0.257
27	HSBC NOMINEES (TEMPATAN) SDN BHD HSBC (M) TRUSTEE BHD FOR MANULIFE FLEXI INVEST FUND	493,700	0.254
28	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR PHEIM EMERGING COMPANIES BALANCED FUND (211899)	469,700	0.241
29	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEE SOON CHEONG	466,900	0.240
30	LIM POH BOON	462,000	0.238
		141,710,023	72.856

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty Eighth (“28th”) Annual General Meeting (“AGM”) of the Company will be held at The Olive, Level 6, Olive Tree Hotel Penang, 76, Jalan Mahsuri, Bandar Sunway Tunas, 11950 Bayan Lepas, Penang, Malaysia, on 24th day, November 2025 at 2:00 p.m. to transact the following business: -

As Ordinary Business:

1. To receive and adopt the Financial Statements for the year ended 30 June 2025 and (Please refer to Explanatory the Reports of Directors and Auditors thereon. Note (B)(1))
2. To re-elect the following Directors who are due to retire in accordance with Clause 88 of the Company’s Constitution and being eligible, had offered themselves for re-election: -
 - 2.1 Mr Sin Kheng Lee Ordinary Resolution 1
 - 2.2 Mr Sin Ching San Ordinary Resolution 2
 - 2.3 Ms Chou Lee Sin Ordinary Resolution 3
 - 2.4 Ms Sin Siew Huey Ordinary Resolution 4
 - 2.5 Ms Sin Tze Yi Ordinary Resolution 5
 - 2.6 Mr Ng Swee Weng Ordinary Resolution 6
 - 2.7 Puan Amnah Apasra Emir Binti Moehamad Izat Emir Ordinary Resolution 7
 - 2.8 Ir Yeoh Yen Shiong Ordinary Resolution 8
3. To approve Directors’ Fees of RM285,000.00 for the year ended 30 June 2025. Ordinary Resolution 9
4. To re-appoint Messrs KPMG PLT as auditors of the Company to hold office until the conclusion of the next AGM and to authorise the directors to fix their remuneration. Ordinary Resolution 10

As Special Business

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

5. Authority to allot and issue shares by Directors pursuant to sections 75 and 76 of the Companies Act 2016 Ordinary Resolution 11

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”) and subject always to the provisions of the Constitution of the Company and the approvals from the relevant governmental/regulatory authorities, the Board of Directors of the Company be and is hereby authorised to issue and allot from time to time such number of ordinary shares of the Company upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, PROVIDED ALWAYS THAT the aggregate number of ordinary shares to be issued pursuant to this resolution does not exceed ten per centum (10%) of the issued share capital of the Company for the time being.

THAT the Directors are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad (“Bursa Securities”) AND THAT such authority shall continue to be in force until the conclusion of the next AGM of the Company or the expiration of the period within which the next AGM is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier.

THAT pursuant to Section 85 of the Act, read together with Clause 56 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the existing shareholders of the Company to be offered new shares of the Company ranking equally to the existing issued shares arising from any issuance of such new shares in the Company pursuant to Sections 75 and 76 of the Act AND THAT the Board of Directors of the Company is exempted from the obligation to offer such new shares first to the existing shareholders of the Company.

AND THAT the new shares to be issued shall, upon issuance and allotment, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

6. To transact any other business of which due notice shall have been given.

Notice of Annual General Meeting

By Order of the Board

Chin Lee Phing
(MAICSA 7057836)
(SSM PC No.: 202008000049)
Company Secretary

Penang, 24 October 2025

Notes:

(A) Appointment of Proxy: -

1. A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. If a Member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
2. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depository) Act, 1991 ("SICDA"), it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
3. Where a Member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owner in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account its holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

4. The instrument appointing a proxy must be deposited physically or by electronic means in the following manner, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof:
 - a) In hard copy form (*applicable to individual and corporate member*)
The proxy form in writing under the hand of the appointor or his attorney duly authorised in writing shall be deposited at the Company's Share Registrar Office at Plantation Agencies Sdn. Berhad, 3rd Floor, No. 2 Lebu Pantai, 10300 Georgetown, Pulau Pinang.
 - b) By electronic means (*only applicable to individual*)
The proxy form in writing under the hand of the appointor or his attorney duly authorised in writing can be electronically lodged with the Company at sharereg@plantationagencies.com.my.
 - c) Through online platform (*only applicable to individual*)
E-proxy form can be submitted at <https://pasb-online.digerati.com.my>. Scan the QR code beside to access the online platform.



5. If the appointor is a corporate member, the instrument appointing a proxy shall be in writing, either under Seal or under the hand of an officer or attorney duly authorised. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Company's Share Registrar Office at Plantation Agencies Sdn. Berhad, 3rd Floor, No. 2 Lebu Pantai, 10300 Georgetown, Pulau Pinang. The certificate of appointment of authorised representative should be executed in the following manner: -
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by: -
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Notice of Annual General Meeting

Notes:

(A) Appointment of Proxy: - (continued)

6. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.
7. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in the proxy form if it has not been lodged at the office of the Company's Share Registrar.
8. Pursuant to Paragraph 8.29A of Bursa Securities' Main Market Listing Requirements ("MMLR"), all resolutions set out in the Notice of the 28th AGM will be put to vote on a poll.
9. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 68 of the Company's Constitution and Paragraph 7.16(2) of the MMLR of Bursa Securities, a Record of Depositors ("ROD") as at 17 November 2025. Only Depositor whose name appears on such ROD or the appointed proxy holder/representative shall be entitled to attend, speak and vote at the AGM.
10. Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 28th AGM.

(B) Explanatory Notes on Ordinary Business: -

1. The audited financial statements are laid in accordance with Section 340(1)(a) of the Act for discussion only under Agenda 1. They do not require shareholders' approval and hence, will not be put for voting.
2. Resolutions 1, 2, 3, 4, 5, 6, 7 and 8 – Re-election of Directors

Clause 88 of the Company's Constitution states that all Directors shall retire from office every year, but shall be eligible for re-election.

Mr Sin Kheng Lee, Mr Sin Ching San, Ms Chou Lee Sin, Ms Sin Siew Huey, Ms Sin Tze Yi, Mr Ng Swee Weng, Puan Amnah Apasra Emir Binti Moehamad Izat Emi and Ir Yeoh Yen Shiong who retire in accordance with Clause 88 of the Company's Constitution, being eligible, have offered themselves for re-election.

In determining the eligibility of the Directors to stand for re-election at the forthcoming AGM, the Nominating Committee ("NC") has assessed and recommend to the Board the re-election of retiring Directors based on the following considerations: -

- (i) satisfactory performance and have met Board's expectation in discharging their duties and responsibilities;
- (ii) level of independence demonstrated by the independent director; and
- (iii) their ability to act in the best interest of the Company in decision-making.

The Board approved the NC's recommendation for the re-election of the retiring Directors pursuant to Clause 88 of the Company's Constitution at the forthcoming AGM of the Company. The retiring Directors had abstained from deliberation as well as decision on their own eligibility to stand for re-election at the relevant NC and Board meetings.

3. Resolution 9 – Proposed payment of Directors' Fee

Section 230(1) of the Act provides amongst others, that the fees of the Directors and any benefits payable to the Directors of a listed company shall be approved at a general meeting. Pursuant thereto, shareholders' approval is sought for the payment of fees to Directors in respect of the year ended 30 June 2025.

The fees payable to each Director pursuant to Section 230(1)(b) of the Act have been reviewed by the Board of Directors of the Company, all of whom have recognized that the fees payable are in the best interest of the Company.

Notice of Annual General Meeting

(B) Explanatory Notes on Ordinary Business: - (continued)

4. Resolution 10 – Re-appointment of Auditors

The Audit Committee (“AC”) undertook an annual assessment of the suitability and independence of the external auditors, KPMG PLT (“KPMG”). In its assessment, the AC considered several factors with reference to Paragraph 15.21 of the Listing Requirements. The AC also took into account the openness in communication and interaction with the lead audit engagement partner and engagement team through discussions at the private meetings, which demonstrated their independence, objectivity and professionalism.

The AC was satisfied with the suitability of KPMG based on the quality of audit, performance, competency and sufficiency of resources the external audit team provided to the Group. The AC was also satisfied in its review that the provisions of non-audit services by KPMG to the Company for the FY2025 did not in any way impair their objectivity and independence as external auditors of SKB.

The Board had, at its meeting held on 28 August 2025, approved the Audit Committee’s recommendation that shareholders’ approval be sought at the 28th AGM on the re-appointment of KPMG as the auditors of the Company, as set out under Resolution 10.

(C) Explanatory Notes to Special Business: -

1. Resolution 11 – Authority to allot and issue shares by Directors pursuant to sections 75 and 76 of the Act

The proposed Ordinary Resolution 11 is for the purpose of granting a renewed general mandate (“General Mandate”) which was approved at the 27th AGM held on 28 November 2024 and which will lapse at the conclusion of the 28th AGM. It is also to approve the disapplication of statutory pre-emption rights under the Section 85 of the Act, to allot new shares (or to grant rights over shares) without first offering them to existing shareholders in proportion to their holdings pursuant to the general mandate.

As at the date of this Notice, no new ordinary shares in the Company were issued pursuant to the General Mandate granted to the Directors at the last AGM.

This General Mandate is sought to avoid any delays and costs involved with the convening of a general meeting. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the conclusion of the next AGM of the Company.

The renewal of this General Mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s) and/or working capital and/or acquisition(s) and/or for such strategic reasons or such other purposes as the Directors consider would be in the best interest of the Company.

At this juncture, there is no decision to issue new shares but the Directors consider it desirable to have the flexibility permitted to respond to market developments and to enable allotments to take place to finance business opportunities without making a pre-emptive offer to existing shareholders. If there should be a decision to issue new shares after the General Mandate is obtained, the Company will make announcement in respect thereof.

(D) The Annual Report 2025 and Corporate Governance Report 2025 are available for download at www.skb-shutters.com

Notice of Annual General Meeting

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Statement Accompanying Notice Of Annual General Meeting

(Pursuant to Paragraph 8.27(2) of the Listing Requirements of Bursa Securities)

No individual is standing for election as a Director at the forthcoming 28th AGM of the Company.

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Reg. Trademark No. 85/B03843

SKB SHUTTERS CORPORATION BERHAD
199701014865 (430362-U)

PROXY FORM

No. of shares held	CDS account no.

I/We..... (Tel.....)
(Full name as per NRIC and NRIC No./Company No. in BLOCK LETTERS)

of..... (Email address:.....)
(Full address in BLOCK LETTERS)

being a member/members of **SKB Shutters Corporation Berhad**, hereby appoint

Proxy	Full Name and Address (in Block Letters)	NRIC/ Passport No.	Email Address & Tel. No.	No. of Shares	% of shareholding
1					

***and/or (*delete if not applicable)**

2					
Total					

or failing him/her, the Chairman of the meeting as my/our proxy, to vote for me/us and on my/our behalf at the Twenty Eighth Annual General Meeting of the Company to be held at The Olive, Level 6, Olive Tree Hotel Penang, 76, Jalan Mahsuri, Bandar Sunway Tunas, 11950 Bayan Lepas, Penang, Malaysia on 24th day, November 2025 at 2:00 p.m. and at any adjournments thereof.

No.	Ordinary Resolutions	For	Against
1	To re-elect Mr Sin Kheng Lee as a director of the Company		
2	To re-elect Mr Sin Ching San as a director of the Company		
3	To re-elect Ms Chou Lee Sin as a director of the Company		
4	To re-elect Ms Sin Siew Huey as a director of the Company		
5	To re-elect Ms Sin Tze Yi as a director of the Company		
6	To re-elect Mr Ng Swee Weng as a director of the Company		
7	To re-elect Puan Amnah Apasra Emir Binti Moehammad Izat Emir as a director of the Company		
8	To re-elect Ir Yeoh Yen Shiong as a director of the Company		
9	To approve Directors' Fees of RM285,000.00 for the year ended 30 June 2025		
10	To re-appoint Messrs KPMG PLT as auditors of the Company		
11	Authority to Issue Shares Pursuant to Sections 75 and 76 of the Act		

(Please indicate with "X" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion).

Signed this day of 2025.

.....
Signature(s)/ Common Seal of Shareholder(s)

Notes:

- A Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member of the Company. If a Member appoints two (2) proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.
- Where a member of the Company is an authorised nominee as defined under the SICDA, it may appoint at least one (1) proxy in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
- Where a Member of the Company is an exempt authorised nominee which hold ordinary shares in the Company for multiple beneficial owner in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account its holds.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- The instrument appointing a proxy must be deposited physically or by electronic means in the following manner, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof:
 - In hard copy form (applicable to individual and corporate member)
The proxy form in writing under the hand of the appointor or his attorney duly authorised in writing shall be deposited at the Company's Share Registrar Office at Plantation Agencies Sdn. Berhad, 3rd Floor, No. 2 Lebuhr Pantai, 10300 Georgetown, Pulau Pinang.
 - By electronic means (only applicable to individual)
The proxy form in writing under the hand of the appointor or his attorney duly authorised in writing can be electronically lodged with the Company at sharereg@plantationagencies.com.my.
 - Through online platform (only applicable to individual)
E-proxy form can be submitted at <https://pasb-online.digerati.com.my>. Scan the QR code beside to access the online platform.



5. If the appointor is a corporate member, the instrument appointing a proxy shall be in writing, either under Seal or under the hand of an officer or attorney duly authorised. For a corporate member who has appointed an authorised representative, please deposit the ORIGINAL certificate of appointment of authorised representative with the Company's Share Registrar Office at Plantation Agencies Sdn. Berhad, 3rd Floor, No. 2 Lebu Pantai, 10300 Georgetown, Pulau Pinang. The certificate of appointment of authorised representative should be executed in the following manner: -
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by: -
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
6. Please ensure ALL the particulars as required in this proxy form are completed, signed and dated accordingly.
7. For a corporate member who has appointed a representative instead of a proxy to attend this meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in the proxy form if it has not been lodged at the office of the Company's Share Registrar earlier.
8. Pursuant to Paragraph 8.29A of Bursa Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), all resolutions set out in the Notice of the 28th AGM will be put to vote on a poll.
9. For purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company pursuant to Clause 68 of the Company's Constitution and Paragraph 7.16(2) of the MMLR of Bursa Securities, a ROD as at 17 November 2025. Only Depositor whose name appears on such ROD or the appointed proxy holder/representative shall be entitled to attend, speak and vote at the AGM.
10. Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 28th AGM.

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Stamp

To,

The Share Registrar
SKB SHUTTERS CORPORATION BERHAD
Registration No.: 199701014865 (430362-U)
Plantation Agencies Sdn. Berhad,
3rd Floor, No. 2 Lebu Pantai,
10300 Georgetown, Pulau Pinang

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Administrative Guide

For The Twenty Eighth Annual General Meeting (“28th AGM”)

Day & Date : Monday, 24 November 2025
Time : 2:00 p.m.
Venue : The Olive, Level 6, Olive Tree Hotel Penang, 76, Jalan Mahsuri, Bandar Sunway Tunas, 11950 Bayan Lepas, Penang, Malaysia

Registration on the day of the 28th AGM

Registration will commence at **1:00 p.m.** and will end at the time directed by the Chairman of the meeting.

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

- (i) Identity card (NRIC) (Malaysian); or
- (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
- (iii) Passport (Foreigner).

Registration must be done in person. Nobody is allowed to register on behalf of another person even with the original identification papers of that other person.

Upon verification of your identification papers and signing of attendance list, you will be given a poll slip for each of the CDS account(s) that registered in your name and/or which you are appointed as a proxy for voting purposes before entering the meeting room. There will be no replacement should you lost or destroy the poll slip(s).

Please vacate the registration area immediately after registration to prevent congestion.

Members entitled to participate in the 28th AGM

Only a depositor whose name appears on the Record of Depositors as at 17 November 2025 shall be entitled to participate or appoint a proxy to participate, speak and/or vote on his/her behalf.

Appointment of Proxy or Corporate Representative

A member shall not be entitled to appoint more than two (2) proxies to participate the same meeting. Where a member appoints two (2) proxies, the appointment shall be invalid unless he/she specifies the proportion of his/her holdings to be represented by each proxy.

The instrument appointing a proxy must be deposited physically or by electronic means in the following manner, not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof:

- a) In hard copy form (*applicable to individual and corporate member*)
The proxy form in writing under the hand of the appointor or his attorney duly authorised in writing shall be deposited at the Company’s Share Registrar Office at Plantation Agencies Sdn. Berhad, 3rd Floor, No. 2 Lebu Pantai, 10300 Georgetown, Pulau Pinang.
- b) By electronic means (*only applicable to individual*)
The proxy form in writing under the hand of the appointor or his attorney duly authorised in writing can be electronically lodged with the Company at sharereg@plantationagencies.com.my.
- c) Through online platform (*only applicable to individual*)
E-proxy form can be submitted at <https://pasb-online.digerati.com.my>. Scan the QR code beside to access the online platform.



Administrative Guide

For The Twenty Eighth Annual General Meeting (“28th AGM”)

If the appointor is a corporate member, the instrument appointing a proxy shall be in writing, either under Seal or under the hand of an officer or attorney duly authorised. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Company’s Share Registrar Office at Plantation Agencies Sdn. Berhad, 3rd Floor, No. 2 Lebuhr Pantai, 10300 Georgetown, Pulau Pinang. The certificate of appointment of authorised representative should be executed in the following manner: -

- (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by: -
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Revocation of Proxy

The lodging of the Proxy Form shall not preclude you from participating in the 28th AGM should you subsequently wish to do so. If you have submitted your Proxy Form and subsequently decide to appoint another proxy(ies) or you wish to participate in the 28th AGM, please write in to sharereg@plantationagencies.com.my to revoke the earlier appointed proxy 48 hours before the date and time fixed for the 28th AGM or any adjournment thereof.

Poll voting

The resolutions to be tabled at the 28th AGM will be voted by poll in accordance with Paragraph 8.29A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Upon completion of the voting session, the scrutineers will verify the poll results after which the Chairman will announce the results of the resolution.

Digital Copies of 28th AGM Documents

As part of the Company’s dedicated commitment to sustainable practices, the following documents of the Company are available and can be downloaded from the Company’s website at www.skb-shutters.com and on Bursa Malaysia Securities Berhad’s website at www.bursamalaysia.com:

- (a) Notice of 28th AGM
- (b) Proxy Form and
- (c) Administrative Guide of the 28th AGM. Scan the QR code beside to access the investor relations.



No Door Gifts/Vouchers

There will be no distribution of door gifts/vouchers to members/proxies/corporate representatives who participate in the 28th AGM.



Administrative Guide

For The Twenty Eighth Annual General Meeting (“28th AGM”)

No Recording or Photography

Please note that recording or photography of the 28th AGM proceedings is strictly prohibited without prior written permission of the Company.

Share Registrar Enquiry

If you have any enquiry regarding share, proxy related matters and online platform, please contact our Share Registrar:

Plantation Agencies Sdn. Berhad
Tel. No. : +604-2625333
Email : sharereg@plantationagencies.com.my

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.



SKB SHUTTERS CORPORATION BERHAD

199701014865 (430362-U)

Registered Office:

Lot 22, Jalan Teknologi,
Taman Sains Selangor 1,
47810 Kota Damansara,
Petaling Jaya, Selangor,
Malaysia