



Reg. Trademark No. 85/B03843

SKB SHUTTERS CORPORATION BERHAD

199701014865 (430362-U)



Rooted in Sustainability

ANNUAL REPORT 2026

**DATE**

27th November 2026 (Friday)

TIME

1:00 p.m.

VENUE

7-Lounge, Level 2,
Olive Tree Hotel Penang,
76, Jalan Mahsuri,
Bandar Sunway Tunas,
11950 Bayan Lepas,
Penang, Malaysia.

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Annual Report 2026

Management Discussion and Analysis

OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

SKB Shutters Corporation Berhad ("SKB" or "the Group") specialises in the design and manufacture of roller shutters, steel doors, and storage and handling systems. Listed on the Main Market of Bursa Malaysia Securities Berhad since 28 March 2001, the Group conducts its principal operations through SKB Shutters Manufacturing Sdn. Bhd. and SKB Storage Industries Sdn. Bhd.

The Group serves customers across a range of commercial and industrial applications, providing solutions tailored to their security, safety and operational requirements. Its approach combines product design, engineering and manufacturing expertise with a commitment to dependable service and delivery. Over the years, SKB has expanded its product range, regional reach and production capabilities as it works towards becoming a leading roller shutter and storage systems provider in Southeast Asia.

Product development remains an important part of the Group's strategy. During the financial year under review, SKB continued its research, development and testing of roller shutters, steel doors and racking systems. Areas of development included powerless flood shutters, extended-length and S5 shelving systems, and oversized fire-rated metal doors. These efforts are intended to address evolving customer requirements and broaden the Group's opportunities across project segments in Malaysia and overseas.

The Group also continues to invest in its people and manufacturing capabilities. By developing employees across key functions and strengthening succession planning, SKB aims to build the skills and leadership needed for its next stage of growth. Together, these efforts support the Group's goal of delivering reliable, high-performance solutions while creating sustainable value for its stakeholders.

The Company has been recognized in Forbes Asia's "Best Under A Billion" 2026 list. Out of 19,000 companies in the Asia-Pacific region, the Company is one of only 200 outstanding businesses selected, and one of just 19 from Malaysia. The Company also won the Gold Award in the Renewable Energy (SME & Mid-Tier) category at The Star ESG Positive Impact Awards in July 2026.

PERFORMANCE OF THE GROUP FOR THE FINANCIAL YEAR ENDED 30 JUNE 2026

	FYE 30 June 2026 RM'000	FYE 30 June 2025 RM'000	Changes (%)
Revenue	149,101	137,702	8.28
Result From Operating Activities	41,380	35,283	17.28
Interest Income	2,068	1,984	4.23
Interest Expense	(2,342)	(2,592)	(9.65)
Profit before Tax	41,105	34,675	18.54
Tax Expense	(10,438)	(8,876)	17.60
Profit after Tax	30,667	25,799	18.87
Basic Earnings Per Ordinary Share (sen)	15.77	16.06	

FINANCIAL RESULTS

For the financial year ended 30 June 2026, the Group recorded revenue of RM149.10 million, an increase of 8.3% from RM137.70 million in the preceding year. This performance was supported by robust activity in the domestic construction sector and demand for the Group's products across industrial, commercial and infrastructure projects. The growing emphasis on building safety is expected to create further opportunities for the Group's safety-focused products and customised solutions.

Results from operating activities increased by 17.3% to RM41.38 million, outpacing revenue growth. The operating margin improved to 27.8% from 25.6%, reflecting the Group's continuous efforts to improve costs and efficiency across its operations and manufacturing processes. Interest expense also declined by 9.6% to RM2.34 million.

Profit before tax rose by 18.5% to RM41.11 million, while profit after tax increased by 18.9% to RM30.67 million. The Group declared a dividend of 5.5 sen per ordinary share for the financial year, reflecting its commitment to delivering returns to shareholders while supporting its ongoing business development.

Management Discussion and Analysis (Cont'd)

REVIEW OF BUSINESS OPERATIONS AND FINANCIAL PERFORMANCE

Business Operations

The financial year ended 30 June 2026 was marked by continued progress in product performance, sustainability and corporate recognition. The Group remained focused on strengthening the reliability and durability of its fire protection solutions while advancing its environmental initiatives and enhancing its standing in both domestic and international markets.

4-Hour Fire Protection Expanded to Double-Leaf Doors

Building on the successful testing of the Group's 4-Hour Fire-Rated Single-Leaf Door, SKB successfully tested its 4-Hour Fire-Rated Double-Leaf Door during the year. The achievement extends the Group's range of high-performance fire protection solutions to applications requiring wider openings while maintaining a 4-hour fire-resistance rating. It further demonstrates the Group's continued investment in product development and its ability to address increasingly demanding requirements for industrial, commercial and high-risk applications.

Fire Protection Products Successfully Recertified for the Next 10 Years

The Group successfully completed the required fire resistance re-testing of its established Insulated Fire Shutters and Fire-Rated Doors ahead of the expiry of their existing 10-year BOMBA licences. Under the applicable certification requirements, fresh physical fire testing is required at the end of the 10-year licensing period in order to support renewal for a further 10 years. The successful re-testing provides renewed validation of the Group's established fire protection designs and reinforces SKB's longstanding commitment to product reliability, regulatory compliance and consistent fire-safety performance.

Oversized Fire-Rated Door Recognised at ARCHIDEX

SKB's Oversized Fire-Rated Door received the ARCHIDEX Star Award 2025, recognising the product's innovation and relevance to increasingly complex architectural and industrial applications. As one of Malaysia's leading architecture and building industry exhibitions, ARCHIDEX brings together architects, designers, developers, specifiers and other industry professionals. The award provides external recognition of the Group's ability to develop engineered fire protection solutions beyond conventional dimensions, addressing applications that require substantially larger fire-rated openings while maintaining the required safety and performance standards.

Kota Damansara Plant Wins Gold for Renewable Energy

The Group's sustainability efforts at its existing Kota Damansara manufacturing plant were recognised at the ESG Positive Impact Awards 2025, organised by Star Media Group, with SKB receiving the Gold Award in the Renewable Energy category. The award recognises the Group's continued efforts to improve the environmental performance of its manufacturing operations, including its investment in renewable energy and energy-efficiency initiatives.

As the Group prepares to transition its manufacturing operations to the new plant in Puncak Alam, SKB intends to build further upon the sustainability initiatives established at Kota Damansara. The new facility has been designed with sustainability and long-term resource efficiency in mind, including features such as solar-ready roofing, natural daylighting and ventilation, energy-efficient building systems and large-scale rainwater harvesting. The Group looks forward to further improving the environmental performance of its manufacturing operations as it progresses into this next phase of growth.

Strategic Expansion: Completion of New Operational Industrial Facility

As part of the Group's strategic initiative to enhance operational efficiency and cater to growing market demand, we are pleased to report that the construction of our new plant, located at 1, Jalan Eko Perindustrian 2, Eco Business Park V - West Gate, 42300 Puncak Alam, Selangor Darul Ehsan, Malaysia has been successfully completed. We are currently awaiting the final physical issuance of the Certificate of Completion and Compliance (CCC). The new facility is fully contained within our legally owned, industrial lot of 39,689 sq.m.

Machinery installation, testing, and final factory setup are progressing rapidly and are in their closing stages.

The Group expects to formally commence operations at this new facility upon receipt of the physical CCC. This expansion will significantly scale up our production capacities, optimise our supply chain turnaround times, and is expected to contribute positively to the Group's revenue streams and operational footprint moving forward.

Management Discussion and Analysis (Cont'd)

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:

Volatility in steel prices

Steel is a key raw material in the Group's manufacturing operations. Fluctuations in steel prices may increase production costs and place pressure on margins, particularly where selling prices have been agreed before the related materials are purchased. The Group monitors price movements, manages procurement carefully and seeks to improve material utilisation and production efficiency to mitigate this risk.

Rising manufacturing costs

Changes in labour costs, energy prices and other manufacturing overheads may increase the Group's operating expenses. The Group continues to strengthen cost efficiency through process optimisation, productivity improvements and strategic sourcing, while maintaining the quality and reliability of its products.

Foreign currency risk

The Group is exposed to foreign currency fluctuations through sales and purchases denominated in currencies other than the relevant entities' functional currencies. Movements in the Malaysian ringgit may affect input costs, export competitiveness and profit margins. The Group monitors its foreign currency exposure and takes this risk into account when making pricing and procurement decisions.

Market competition

Competition from existing and new industry participants may affect pricing, customer growth and profitability. The Group addresses this risk by maintaining close customer relationships, broadening its customer base and developing value-added products and solutions. Continued investment in product innovation and service capabilities supports the Group's position as a total solutions provider in domestic and export markets.

The Group will continue to monitor these risks and manage its costs and resources prudently to support the resilience of its operations and financial performance.

FORWARD LOOKING STATEMENT

The Group remains mindful of economic uncertainty and its potential impact on demand in domestic and export markets. While opportunities in the building and construction sector continue to emerge, customer spending and project timelines may be affected by changing market conditions. The Group will therefore maintain a prudent approach to managing raw material costs, manufacturing overheads and operational efficiency, while retaining the flexibility to respond to shifts in demand.

To support sustainable growth, the Group's strategic priorities are focused on:

- i. Strengthening internal capabilities through employee development, process improvements and greater use of automation;
- ii. Deepening its core businesses and expanding its range of products and solutions to meet evolving customer needs; and
- iii. Building a more agile organisation that can respond effectively to changes in its operating environment.

Innovation and the ability to offer practical, integrated solutions remain central to the Group's growth strategy. The Group continues to develop its role as a **total solutions provider**, drawing on its manufacturing expertise, automation capabilities and complementary products. Where appropriate, it will collaborate with industry specialists to offer customers solutions that address their safety, security and operational requirements through a more coordinated approach.

The Group is also progressing its environmental, social and governance initiatives as part of its long-term business development. By improving resource efficiency and incorporating sustainability considerations into its operations and product offerings, the Group aims to create lasting value for customers, employees and other stakeholders while supporting the changing needs of the building and construction industry.

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 and storage systems and related steel products

100%

SKB Storage Industries Sdn. Bhd.

Registration No.: 200101022164 (557922-U)

Manufacture and sale of roller shutters, racking and storage systems 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 George Town, Pulau Pinang, Malaysia.
Tel. no.: 604 - 262 5333 Fax no.: 604 - 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
Tel. no.: 604-375 1800 Fax no.: 604-238 2222

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

SIN KHENG LEE

Executive Chairman
Key Senior Management

Age **69**

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.

SIN SIEW HUEY

Group Managing Director
Key Senior Management

Age **44**

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.

SIN CHING SAN

Executive Director
Key Senior Management

Age **58**

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.

CHOU LEE SIN

Executive Director

Age **67**

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.

SIN TZE YI

Executive Director

Age **39**

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.

Directors' Profile / Key Senior Management (Cont'd)

NG SWEE WENG

Independent Non-Executive Director

Age **69**

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. During his tenure in KPMG, he was also formerly a member of KPMG's Audit and Accounting Committee, which provided directives and consultative support on technical issues.

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. He was a former Project Director of the Malaysian Accounting Standards Board.

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.

AMNAH APASRA EMIR BINTI MOEHAMAD IZAT EMIR

Independent Non-Executive Director

Age **61**

Gender **Female**

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

She graduated from the Architectural Association School of Architecture in London and is a qualified architect with more than 30 years of experience in the architectural and real estate industry. She is the founder of an architectural company specialising in Urban Regeneration, Heritage, Transport Architecture and Data Centres.

Puan Amnah is a placemaking advocate and has provided strategic advice to government-linked companies in the area of urban regeneration of brownfield sites such as the conservation, restoration and space reuse of Bangunan Sultan Abdul Samad and Bangunan Pejabat Pos Lama Besar at Dataran Merdeka Heritage Area, Kuala Lumpur. She is currently Technical Advisor to Think City Grants Programme.

Puan Amnah is an honorary advisor to the Malaysian Structural Steel Association after retiring as its honorary secretary general having served as council member for 23 years promoting the use of constructional steel. She is a council member of Professional Alliance for Circular Economy (PACE) spearheaded by Universiti Teknologi PETRONAS, which aims to accelerate innovations in the Circular Economy agenda in Malaysia. She is also an External Advisor to Nottingham University's Science and Engineering Faculty.

Puan Amnah is also an Independent Non-Executive Director, Chairman of Remuneration Committee and member of Risk Management Committee and Nomination and Corporate Governance Committee of Press Metal Aluminium Holdings Berhad, a company listed on the Main Market of Bursa Malaysia Securities Berhad.

She has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. She has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

Directors' Profile / Key Senior Management (Cont'd)

YEOH YEN SHIONG

Independent Non-Executive Director

Age **38**

Gender **Male**

Mr. Yeoh Yen Shiong was appointed to the Board on 1 December, 2022. He is Chairman of the Nomination 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.

He has no conflict of interest, or potential conflict of interest, including any interest in competing business with the Group, and has no family relationship with any Director and/ or major shareholder of the Group. He has not been convicted of any offence (other than traffic offence, if any) within the past five (5) years and has not been subject to any public sanction or penalty imposed by regulatory bodies during the financial year.

Notes:

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

None of the Directors and Key Senior Management team has any Conflict of Interest ("COI") or potential COI, including interest in any competing business with the Company and its subsidiaries, 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 2026 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:

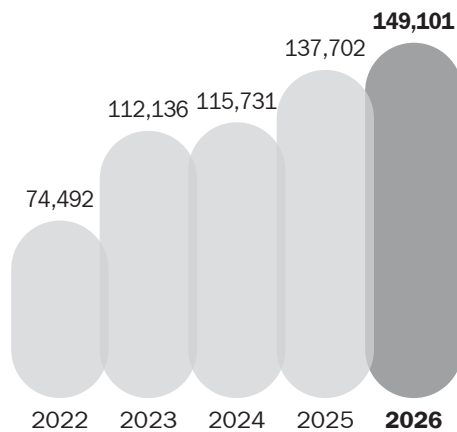
- *Chou Lee Sin is the spouse of Sin Kheng Lee whilst Sin Ching San and Sin Kheng Lee are brothers.*
- *Sin Kheng Lee and Sin Ching San have interest in SKB Glory Sdn. Bhd., a substantial shareholder of SKB.*
- *Sin Siew Huey and Sin Tze Yi are the daughters of Sin Kheng Lee and Chou Lee Sin.*

None of the Directors has any other directorship in public companies except Mr Ng Swee Weng and Puan Amnah Apasra Emir Binti Moehamad Izat Emir whose directorships has been shown as above.

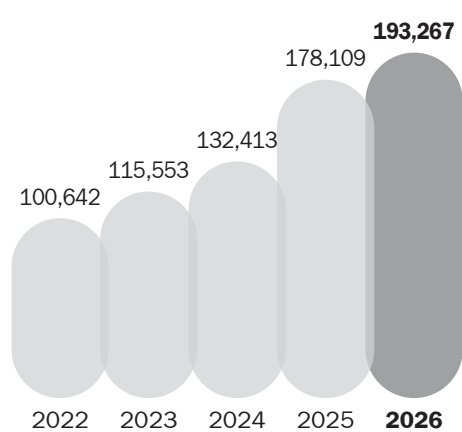
Financial Highlights

	2022 RM'000	2023 RM'000	2024 RM'000	2025 RM'000	2026 RM'000
Revenue	74,492	112,136	115,731	137,702	149,101
Profit Before Taxation	12,291	18,363	21,984	34,675	41,105
Profit After Taxation	9,596	14,995	16,369	25,799	30,667
Shareholders' Fund	100,642	115,553	132,413	178,109	193,267
Basic Earnings/(Loss) Per Share (Sen)	7.27	11.36	12.40	16.06	15.77
Net Assets Per Share Attributable to Ordinary Equity Holders of the Parent (Sen)	0.76	0.88	0.99	0.92	0.99

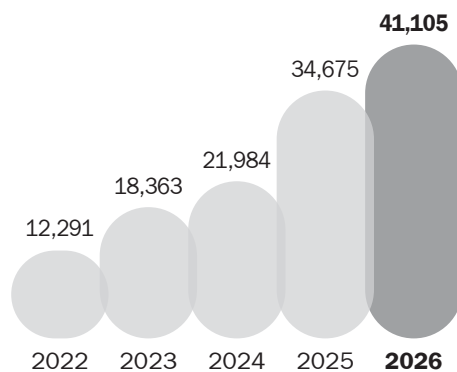
Revenue (RM'000)



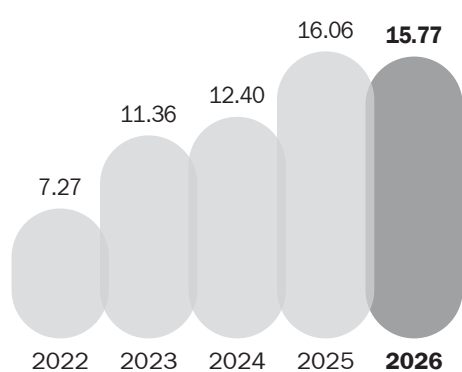
Shareholders' Fund (RM'000)



Profit Before Taxation (RM'000)



Basic Earnings/(Loss) Per Share (Sen)



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 provide oversight and independent judgment and perspectives in Board deliberations and decision-making.

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 conform to the relevant regulations and acceptable accounting policies;
- iii Ensured that the Group’s financial position supports its business expansion, strategic objectives, progress and resource needs;
- 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, Whistleblowing Policy and Conflict of Interest Policy;
- viii Obtained assurance that 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 the Group Managing Director are currently held by different directors.

Additional governance safeguards to ensure balance of power include the establishment of the Audit Committee, Nominating Committee and Remuneration Committee, each comprising solely Independent Non-Executive Directors and chaired by an Independent Non-Executive Director.

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 (Cont'd)

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 for FY2026, affirming their alignment with the independence criteria in Chapter 1 of the MMLR and their ability to continue providing independent oversight, perspectives and judgment 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 a Fellow member of the Chartered Governance Institute of Malaysia (CGIM)[formerly known as 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 receives meeting materials in advance to facilitate informed deliberation. Minutes of preceding meetings are tabled for review and confirmation at subsequent meetings, and matters arising are tracked where follow-up is required. When external advice is necessary, Board members may seek the Board's 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 quarterly and as required to carry out its responsibilities. Matters requiring Board decisions between Board meetings are circulated and approved through circular resolutions.

During the financial year, 6 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)	6
Sin Ching San (Executive Director)	6
Chou Lee Sin (Executive Director)	5
Sin Siew Huey (Group Managing Director)	6
Sin Tze Yi (Executive Director)	5
Ng Swee Weng (Independent Non-Executive Director)	6
Amnah Apasra Emir Binti Moehamad Izat Emir (Independent Non-Executive Director)	6
Ir Yeoh Yen Shiong (Independent Non-Executive Director)	6

During the financial year, all Board members participated in a broad range of professional development programmes, conferences, seminars, webinars and industry-related activities. These programmes covered corporate governance and directors' responsibilities, sustainability and climate governance, IFRS S1 and S2 sustainability disclosure requirements, financial reporting and taxation, artificial intelligence and emerging technologies, construction and built-environment developments, engineering and fire-safety matters, as well as macroeconomic and strategic business trends. While enhancing their knowledge and competencies in discharging their oversight and fiduciary responsibilities, these programmes enabled the Directors to keep abreast of regulatory developments, emerging risks, technological changes and industry trends relevant to the Group.

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

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(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 deliberating the agendas entrusted to them. Their respective Chairpersons report to the Board and make recommendations on matters requiring Board approval. During FY2026, the Board also ratified the updated Anti-Bribery and Anti-Corruption Policy in November 2025 and approved an amendment to the Remuneration Policy in January 2026 following the relevant Committee reviews.

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.

(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.

During FY2026, the Board did not receive any whistleblowing complaints. The Audit Committee also reviewed the Group's anti-bribery and corruption framework through an internal audit and recommended enhancements to the Anti-Bribery and Anti-Corruption Policy, which was subsequently approved by the Board.

The Board also acknowledges that managing conflict of interest is crucial to protect the Group from consequent damage to its activities and reputation. The Board has adopted a Conflict of Interest ("COI") Policy which sets out the disclosure obligations to assist the Directors and Key Senior Management of the Group in identifying, disclosing, and managing any potential, actual or perceived conflict of interest situation. This COI Policy aims to ensure that any conflict of interest situation is handled appropriately, promoting transparency, and fostering a culture of honesty, accountability and good governance within the Group.

(IV) SUSTAINABILITY

The Group integrates sustainability into its product strategy and innovation, supporting its positioning as an innovative and sustainable building materials company. The Group communicates its sustainability values, initiatives, and performance externally through the Sustainability Statement in the Annual Report and internally through the Sustainability Management Committee, led by the Group Managing Director. During FY2026, the Audit Committee monitored the sustainability implementation status and the 2026 action plan.

All eight (8) Directors attended an internal IFRS Sustainability Disclosure Standards awareness briefing on 9 January 2026 covering Bursa Malaysia requirements, IFRS S1 and IFRS S2, SKB's high-level gap assessment and the proposed way forward. In May 2026, the Board, through the Audit Committee process, considered a climate-related risks and opportunities assessment and its implications for resilience, financial performance and future disclosure readiness. Sustainability also formed part of the annual Board and key senior management evaluation, with improvement areas reported to the Board for follow-up. Sustainability targets will be determined after operations at the new plant have stabilised.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(V) NOMINATING COMMITTEE AND BOARD'S PERFORMANCE ASSESSMENT

The Nominating Committee ("NC") comprises three (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 (Independent Non-Executive Director)
Members : Ng Swee Weng (Independent Non-Executive Director)
 : Amnah Apasra Emir Binti Moehamad Izat Emir (Independent Non-Executive Director)

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

The NC meets as and when required and at least once in every financial year. During the financial year under review, the NC met on 28 August 2025 and the meeting was attended by all members of the NC.

The activities undertaken by the NC for the financial year ended 30 June 2026 were as follows:

- i. Conducted the annual self-assessment of the effectiveness of the Board as a whole, the Board Committees and the contribution of each individual Director, together with a self and peer assessment by the Directors. The assessment was carried out internally and facilitated by the Company Secretary using structured questionnaires with quantitative rating scales. All eight (8) Directors participated. The assessment covered the following key areas:
 - the current Board structure, size and composition;
 - the quality of information and decision making;
 - boardroom dynamics and Board effectiveness;
 - the contribution of each Director and the effectiveness of the Board and its Committees;
 - the Board's relationship with Management;
 - environmental, social and governance ("ESG") and sustainability considerations; and
 - the character, experience, integrity, competence and time commitment of each Director in discharging his or her respective role.
- ii. Reviewed the results of the assessment against the corresponding results for the preceding financial year, and deliberated on the areas identified for improvement together with the actions to be recommended to the Board;
- iii. Reviewed the mix of skills, experience, knowledge and diversity of the Board, including gender diversity, and considered the adequacy of the Board's composition having regard to the size, scope and nature of the Group's business;
- iv. Assessed the independence of the Independent Non-Executive Directors, taking into account the criteria for independence prescribed under the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and the Malaysian Code on Corporate Governance, and satisfied itself that each of them continues to exercise independent judgement and to act in the best interests of the Company;
- v. Reviewed the term of office and the performance of the Audit Committee and of each of its members, and reported to the Board that the Audit Committee and its members had carried out their duties in accordance with the Audit Committee's Terms of Reference;
- vi. Reviewed the disclosure of the NC's activities for inclusion in this Annual Report.

(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 : Puan Amnah Apasra Emir Binti Moehamad Izat Emir

Members : Ir Yeoh Yen Shiong
 Mr 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.

Corporate Governance Overview Statement (Cont'd)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (continued)

(VI) REMUNERATION (continued)

One (1) RC meeting was held during FY2026, on 9 January 2026, with all three (3) members in attendance. The RC reviewed the Executive Directors' remuneration packages for calendar year 2026, Directors' fees and benefits for FY2026, a proposed Director training allowance, Directors and Officers liability insurance, and an amendment to the Remuneration Policy. It also discussed the future timing of shareholder approval for Directors' fees to assess transition options between preceding-year and upcoming-year approval bases. The FY2026 Directors' fee remained at RM35,000 per Director, while a RM5,000 training allowance per Director was approved.

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

	Company	Subsidiary Companies	
	RM50,000 and below	RM900,001 - RM950,000	RM1,200,001 - RM1,350,000
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	105	-	-	175	105
Salaries	-	-	2,901	-	2,901	-
Bonuses	-	-	1,638	-	1,638	-
EPF	-	-	545	-	545	-
Benefit-in-Kind	-	-	31	-	31	-
Total	175	105	5,115	-	5,290	105

* The Directors' fees payable are related to the financial year 2026

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 (Cont'd)

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, Mr Ng Swee Weng, is not the same person as the Board Chairman, Mr Sin Kheng Lee. The Audit Committee's terms of office and performance, and 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.

During FY2026, the Audit Committee held private sessions with the External Auditors; assessed KPMG's suitability, independence and performance; reviewed its audit plan, key audit matters and significant risks, materiality, timing, engagement-team continuity and independence declaration; and recommended KPMG's re-appointment to the Board and shareholders. The Committee also considered that non-assurance services were within its pre-approved non-assurance services policy.

The Audit Committee held private sessions with the Internal Auditors, if necessary enabling the auditors to exchange views freely with the 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.

During FY2026, the Board and Audit Committee oversaw quarterly financial reviews, external audit updates, internal audit reports and follow-up actions. The Audit Committee also reviewed the Statement on Risk Management and Internal Control and deliberated on liquidity risk, expected credit loss, borrowings and capital management, climate-related risks and opportunities, and the implications of the SORMIC 2025 Guide. The Board is satisfied that the Group's risk management and internal control systems are adequate and effective in all material respects and received corresponding assurance from the Group Managing Director/Chief Financial Officer.

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 outsourced its internal audit function to IA Essential Sdn Bhd, an independent third-party internal audit firm. The Internal Auditors conducted their work based on the broad principles of the International Professional Practices Framework of the Institute of Internal Auditors, encompassing audit planning, execution, documentation, communication of findings and consultation with key stakeholders on audit concerns.

In addition to reviewing internal control systems, the Internal Auditor assesses the Group's governance, risk management and anti-bribery and corruption practices. During FY2026, the Audit Committee received internal audit reports covering Quality Assurance and Research & Development, Follow-up Audit on Project Management, Inventory Management and Production, Anti-Bribery and Corruption, Procurement, Human Resources, and the Climate-related Risks and Opportunities Assessment. The Audit Committee also received updates on Sustainability Reporting, including the 2025 Action Plan, and Sustainability Implementation, including the 2026 Action Plan. The Committee challenged findings where appropriate, reviewed management responses, authorised corrective actions and tracked outstanding matters for follow-up. The Audit Committee evaluates the Internal Auditor's performance based on service and report quality, 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 (Cont'd)

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 audited financial statements prepared in accordance with the applicable approved accounting standards, together with corporate governance and sustainability disclosures made in accordance with the applicable listing requirements; and
- **General Meeting**
Shareholders' interaction and a "Question and Answer" ("Q&A") session with the Board during general meetings. During FY2026, shareholder engagement took place through the 28th AGM on 24 November 2025, and the minutes were made available through the Company's General Meeting webpage.

(X) CONDUCT OF GENERAL MEETINGS

The Company held its 28th Annual General Meeting ("AGM") physically in Penang on 24 November 2025. All Directors attended either physically or virtually. The Board Chairman, Mr Sin Kheng Lee, was unable to attend in person due to an urgent business engagement. In accordance with the Company's Constitution, the Directors present elected Ms Sin Siew Huey, Group Managing Director, to chair the meeting. The Chairpersons of the Audit, Nominating, and Remuneration Committees were present at the AGM and were available to support shareholder engagement.

The Board allocated sufficient time for shareholders and proxies to raise questions before poll voting. Questions covered the new manufacturing facility and capacity expansion, competitive conditions, product opportunities, segment and financial performance, cash and dividend strategy, data-centre exposure, and automation investment. The Chairperson and Management provided explanations and clarifications, supporting meaningful two-way engagement with shareholders.

All resolutions in the Notice of AGM, including the separate re-election resolutions for each of the eight (8) retiring Directors, were voted on by poll and carried. The Company appointed an independent scrutineer to validate the votes. The AGM minutes were published on the General Meeting section of the Company's website within 30 business days.

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 2026, the Directors adopted appropriate accounting policies and applied them consistently, using reasonable and prudent judgments and estimates. The Directors are also satisfied that all relevant approved accounting standards have been followed in preparing the financial statements.

This Corporate Governance Overview Statement is made by a resolution of the Board on 23 October 2026.

Other Information

Utilisation of proceeds

There were no proceeds raised from any corporate proposal during FY2026.

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	43,500	184,799
Non-audit fees	12,850	57,650

Share buybacks

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

Options, warrants or convertible securities

No options, warrants or convertible securities were exercised by the Company during the year.

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.

Other Information (Cont'd)

Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements of Bursa Securities, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Remarks	Group	
		2026 (RM)	2025 (RM)
Revenue		149,101,058	137,702,065
Other income		4,023,108	3,941,693
Interest income		2,067,537	1,983,850
Total		155,191,703	143,627,608
Total Assets		357,398,501	311,262,810

(B) Business Activities

Shariah Non-Compliant Activities	Remarks	Group	
		2026 (RM)	2025 (RM)
Interest income		2,067,537	1,983,850
Rental income received from tenant involved in Shariah non-compliant activities		27,000	27,000
Total		2,094,537	2,010,850

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Remarks	Group	
		2026 (RM)	2025 (RM)
Cash at bank (exclude cash in hand)		358,343	405,889
Cash in hand		9,310	54,851
Total		367,653	460,740
Conventional Account/Instruments			
Cash at bank (exclude cash in hand)		19,733,574	3,894,266
Deposits with licensed bank		53,116,879	70,915,679
Total		72,850,453	74,809,945

Other Information (Cont'd)

(C) Component of Financial Position (continued)

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2026 (RM)	2025 (RM)
Current			
Bank borrowings		2,487,809	4,035,169
Non-Current			
Bank borrowings		26,789,222	28,282,061
Total		29,277,031	32,317,230

		Group	
Conventional Borrowing	Remarks	2026 (RM)	2025 (RM)
Current			
Bank borrowings		2,002,113	1,998,468
Bank overdrafts		438,148	1,789,266
Banker's acceptances		6,852,000	11,674,000
Hire purchase payables		1,371,209	1,137,014
Revolving credit and loans		4,000,000	4,000,000
Trade financing		3,205,095	1,241,262
Non-Current			
Bank borrowings		63,203,381	27,625,299
Hire purchase payables		2,956,046	2,345,366
Total		84,027,992	51,810,675

Sustainability Statement

About This Statement

SKB Shutters Corporation Berhad (“SKB” or “the Group”) presents this Sustainability Statement for the financial year from 1 July 2025 to 30 June 2026 (“FY2026”). The Statement explains how the Group manages the sustainability matters most relevant to its operations and stakeholders and reports its performance across environmental, social, governance and economic themes.

FY2026 is the Group’s third year of expanded quantitative reporting. This year, we have strengthened the transparency of the Statement by providing clearer definitions, reporting boundaries, calculation methods and comparative information. Where estimates or standard assumptions are used, the relevant basis is described in the respective section.

The Group continues to develop its sustainability reporting practices in response to evolving regulatory, stakeholder and investor expectations. In addition to meeting the applicable sustainability disclosure requirements of Bursa Malaysia Securities Berhad, SKB considers broader environmental, social and governance matters relevant to its manufacturing activities, workforce, customers, suppliers and other stakeholders.

Reporting Scope and Boundary

Unless otherwise stated, the Statement covers the Group’s sustainability management and performance at the Kota Damansara manufacturing operations of SKB Shutters Manufacturing Sdn. Bhd. and SKB Storage Industries Sdn. Bhd. Financial, workforce, environmental and operational information relates to FY2026, while employee headcount and diversity data are reported as at 30 June 2026. Comparative FY2025 and FY2024 figures are presented where available. Where a particular indicator has a different reporting boundary, basis or limitation, this is explained alongside the relevant disclosure.

Reporting Framework

This Statement has been prepared in accordance with the applicable sustainability disclosure requirements of Bursa Malaysia Securities Berhad’s Main Market Listing Requirements. SKB continues to report on the material sustainability matters identified through its materiality assessment and provides comparative information to enable stakeholders to assess its performance over time.

The Group is also preparing for the application of the IFRS Sustainability Disclosure Standards under the National Sustainability Reporting Framework to its financial year commencing 1 July 2026, subject to the applicable transitional provisions.

Assurance and Review

The sustainability information presented in this Statement is subject to internal review by the respective Heads of Department to support the accuracy and completeness of the information reported. The Statement is subsequently tabled for the Board’s deliberation and approval for inclusion in the Annual Report. The sustainability information reported for FY2026 has not been subject to external assurance.

Comparability and Estimates

The following should be considered when comparing performance across reporting periods, as certain indicators involve estimates or changes in reporting methodology. In previous reporting periods, the amount disclosed as “solar energy consumed” represented total solar energy generated, including energy exported to the grid. The comparative figures have therefore been corrected in FY2026 to reflect actual solar energy consumed on-site. Comparative Scope 2 emissions and estimated emissions reductions from solar generation have also been restated using the latest grid emission factor applied in FY2026.

Improved data collection and documentation in FY2026 enabled fuel attributable to privately owned vehicles to be excluded from energy consumption and Scope 1 emissions, with the related business-travel emissions reported under Scope 3. However, prior-year figures for the above were not restated as the details of vehicle-ownership information were not sufficiently recorded in the previous periods. Employee-commuting emissions are estimated using survey responses and standard working-day assumptions, while working hours used for the lost-time incident rate cover production employees.

Sustainability Statement (Cont'd)

Our Sustainability Approach

The Group's approach is grounded in four management values: integrity and ethics, innovation, engagement and awareness. Together, these values guide how sustainability considerations are incorporated into product development, operating practices, workforce management, stakeholder relationships and governance.

Core value	How it guides our actions
Integrity and ethics	Act transparently, comply with applicable requirements and place ethical conduct ahead of short-term gain.
Innovation	Drive product and process innovation to deliver durable, safe and practical solutions while improving resource efficiency.
Engagement	Listen to employees, customers, suppliers, business partners and communities and consider their interests in decision-making.
Awareness	Cultivate awareness of governance, environmental, safety and social responsibilities to foster stronger participation and commitment.

Sustainability Governance

The Board has ultimate oversight of sustainability matters. It considers material sustainability risks and opportunities, ensures that sustainability is integrated into the Group's strategy and risk-management processes, and reviews the Group's performance and disclosures.

The Sustainability Management Committee is led by the Managing Director and comprises the respective Heads of Department. It coordinates implementation across the business, monitors performance, recommends improvements and supports the collection, review and reporting of sustainability information. Department heads remain responsible for the completeness and accuracy of information originating from their functions and for implementing relevant sustainability actions and corrective measures within their areas of responsibility.

Governance level	Principal responsibilities
Board of Directors	Oversight, strategic integration, risk supervision and approval of the Sustainability Statement. During FY2026, the Board received regular updates on the sustainability implementation roadmap. Material sustainability matters are escalated to the Board as they arise.
Sustainability Management Committee	Coordination, material-matter review, performance monitoring and recommendations to the Board. The Committee meets quarterly as part of the Occupational Safety, Health and Environment meeting to review sustainability performance, implementation progress and outstanding matters.
Business functions	Implementation, data ownership, supporting records, first-level review and corrective actions. Responsibilities for relevant sustainability matters are formally assigned through employees' job descriptions.

Sustainability Policies and Commitments

SKB's sustainability management is supported by policies and procedures covering relevant environmental, social and governance matters, including the Sustainability Policy, Occupational Safety, Health and Environment Policy, Anti-Bribery and Corruption Policy, Code of Conduct and Ethics, Whistleblowing Policy and Procedure, and other governance policies relevant to the Group's operations. The Group's publicly available corporate governance policies can be accessed through the Corporate Governance section of SKB's website at <https://www.skb-shutters.com/investor-relations/corporate-governance/>.

These policies and procedures are complemented by the Group's certified management systems, with ISO 9001, ISO 14001 and ISO 45001 certifications maintained during FY2026 to support quality, environmental and occupational health and safety management, respectively.

Sustainability Statement (Cont'd)

Sustainability Targets

The Group expects to relocate its manufacturing operations to new premises by the end of 2026. As the change in operating environment may affect energy use, water consumption, production processes and other performance indicators, Management intends to establish representative operating baselines before setting longer-term quantitative sustainability targets.

In the interim, the Group will continue monitoring its sustainability performance and maintaining relevant environmental, safety, social and governance controls during the transition.

Stakeholder Engagement and Materiality

SKB engages with stakeholders through the normal course of business to understand operational needs, service expectations, workplace concerns and emerging sustainability issues. Feedback is obtained through surveys, meetings, training, performance reviews, supplier and customer engagement, collaboration projects and community activities.

Stakeholder	Main interests	Engagement channels
Investors and shareholders 	Financial performance, governance, strategy and sustainability performance	Annual General Meeting and the dedicated investor-relations email (investoraffairs@skb.com.my)
Employees 	Working conditions, communication, development, well-being and safety	Meetings, training, performance reviews, suggestion channels and safety programmes
Customers 	Product quality, performance, reliability and service	Customer surveys, site visits, audits, exhibitions and ongoing relationship management
Suppliers 	Quality, continuity, fair engagement and ethical conduct	Pre-qualification, performance review, correspondence, meetings and whistleblowing channels
Business partners 	Compliance, innovation, resilience and growth opportunities	Formal arrangements, joint development, technical collaboration and industry forums
Regulatory authorities 	Regulatory compliance, licenses, inspections and reporting	Formal written correspondence, on-site inspections and audits, and digital portals and reporting systems
Local communities 	Employment, welfare, safety and community development	Community investment, sponsorships, in-kind support and educational engagement

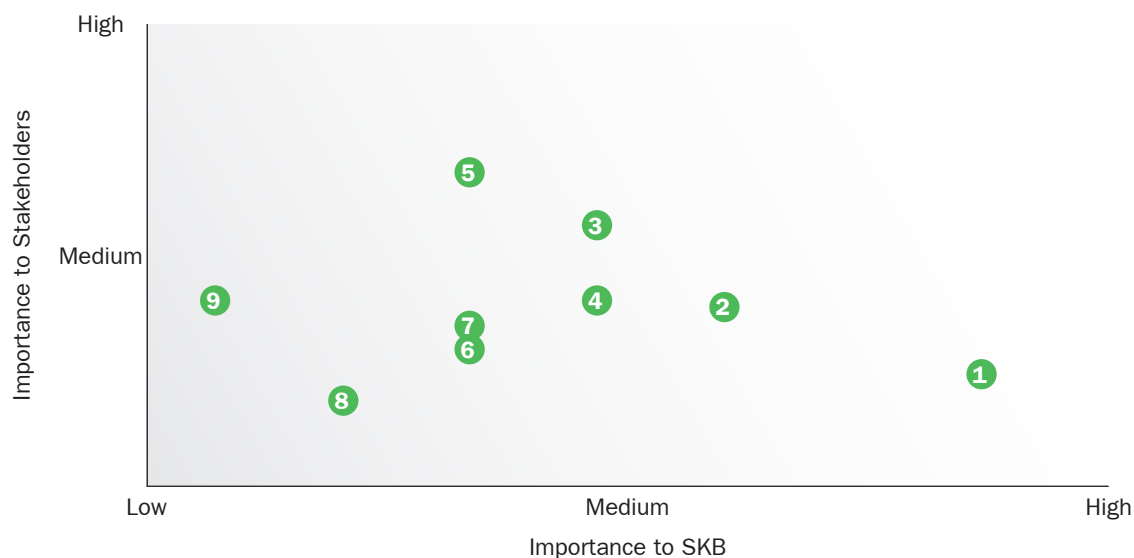
Materiality

The FY2024 materiality assessment involved 34 internal stakeholders and 24 external stakeholders. Topics were identified with reference to relevant sustainability guidance, prioritised through stakeholder input and a management workshop, and validated by Management and the Board. In FY2026, the Group reaffirmed the continuing relevance of the material matters identified through that process.

Phases	Materiality Assessment Process
Phase 1: Identification	Key stakeholders and material sustainability topics were identified using sustainability guidelines, frameworks, and standards, with input from external stakeholder engagement to understand their needs and expectations, resulting in a preliminary list of sustainability topics.
Phase 2: Prioritisation	Internal and external stakeholders were engaged through a survey, followed by a management workshop to assess material sustainability matters based on their impact on revenue, cost, business survival, growth, and reputation, after which the topics were prioritised according to both the company's materiality perspective and stakeholder input, resulting in the development of a sustainability matrix.
Phase 3: Validation	The materiality assessment process and outcome were reviewed by the Management and presented to the Board for endorsement.

Sustainability Statement (Cont'd)

SKB's Sustainability Matrix



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".

The Group continues to organise its reporting under four themes. The themes provide a practical link between the material matters, the responsible business functions and the performance indicators monitored during the year.

Theme	Sustainability matters
 Environment	Product design and material sourcing; workplace and immediate environment, including water, energy, waste and emissions
 Social	Labour practices and standards; occupational safety and health; diversity, equity and inclusion; community development and commitment
 Governance	Corporate governance and compliance; customer privacy and cybersecurity
 Economics	Industry development; supply chain management

Sustainability Statement (Cont'd)

Environment

Our Environmental Approach

SKB's manufacturing operations use energy, water and materials and generate waste and wastewater. The Group seeks to manage these impacts through compliance with applicable environmental requirements, resource-efficient operating practices, pollution prevention, appropriate waste management and continuous improvement where practicable.

The Group maintained its ISO 14001 Environmental Management System certification during FY2026, providing a structured framework for managing environmental responsibilities and supporting continual improvement in its environmental practices. Its environmental management measures include energy-efficiency practices, renewable-energy generation, water monitoring and wastewater treatment, waste segregation, scheduled waste management and GHG emissions tracking.

Product Design and Material Sourcing

Product design and material selection directly affect the safety, durability and service life of SKB's shutters, doors and storage systems. Products that perform reliably for longer can reduce replacement frequency and the associated use of materials, while compliance with recognised fire-safety requirements is fundamental to protecting customers and building occupants.

The Group incorporates safety and resource considerations into product development, material selection, finishing and testing. It continues to use powder-coat finishing that avoids TGIC, heavy metals and other harmful substances, and subjects key products to testing and re-testing against applicable Malaysian and international standards. The powder-coating materials used by the Group are supported by REACH and RoHS certificates provided by suppliers.

During FY2026, SKB completed the BOMBA-required ten-year fire-resistance re-test for its insulated fire shutters and fire-rated doors. It also successfully tested its first four-hour insulated door and Malaysia's largest metal fire-rated door to MS 1073, available up to approximately 3.8 metres in height or 3.6 metres in width. These achievements support product durability, fire performance and SKB's ability to meet specialised customer requirements.

Workplace and Immediate Environment

SKB's manufacturing activities consume fuel, electricity and water and generate metal scrap, packaging waste, general waste and scheduled waste. Managing these impacts is relevant to operating cost, regulatory compliance and the efficient use of resources. At the Kota Damansara plant, the Group applies practical controls covering energy efficiency, GHG emissions, water and wastewater management, waste segregation and handling of scheduled waste.

Energy Management

Energy is required to power production machinery, material-handling equipment, finishing processes, lighting and supporting operations. Liquefied Petroleum Gas ("LPG") remains particularly important to production, while electricity and vehicle fuels support machinery, facilities and logistics. The Group manages energy use through natural daylight and LED lighting, inverter motors, regular maintenance of machinery and vehicles, fuel-efficient forklift practices, employee reminders to switch off equipment during non-operating periods, and its rooftop solar photovoltaic system.

Total energy consumption reported for FY2026 was 25,453 GJ, a decrease of 3% from FY2025. Energy consumption intensity improved to 170.71 GJ/RM million from 190.51 GJ/RM million in FY2025 and 192.16 GJ/RM million in FY2024.

LPG remained the largest energy source at approximately 60% of the total. Petrol contributed 14%, purchased electricity 12%, solar energy 8% and diesel 6%. The FY2026 petrol figure excludes fuel attributable to privately owned vehicles following improved identification of vehicle ownership in fuel-claim records.

The rooftop solar photovoltaic system generated 733,401.97 kWh, equivalent to 2,640 GJ, during FY2026. This was 0.6% lower than FY2025 but continued to reduce reliance on grid electricity.

Sustainability Statement (Cont'd)

Environment

Workplace and Immediate Environment (continued)

Energy Management (continued)

Energy consumption (GJ)	FY2026	FY2025	FY2024
Petrol	3,526	3,673	3,731
Diesel	1,454	1,860	1,917
LPG	15,200	15,484	11,749
Purchased electricity	3,144	3,064	2,528
Solar energy consumed	2,129	2,152	2,314
Total energy consumption (GJ)	25,453	26,233	22,239
Energy consumption intensity (GJ/RM mil.)	170.71	190.51	192.16
Solar energy generated (kWh)	733,402	737,574	829,799

Note:

1. Litres recorded in company, card and claims schedules are converted using fuel-specific net calorific values and densities from the CDP Technical Note: Conversion of Fuel Data to MWh (Version 3.4).
2. Purchased electricity is based on the TNB metering summary. Electricity is converted at 1 kWh = 3.6 MJ.
3. Solar energy is reported based on actual solar energy consumed on-site. As reported previously, the amount disclosed as "solar energy consumed" represented total solar energy generated, which included solar energy exported to the grid. The comparative figures have therefore been corrected to reflect actual on-site solar energy consumption, calculated by deducting solar energy exported to the grid from total solar energy generated.
4. Petrol and diesel consumption for FY2025 have been restated following a review and reconciliation of underlying data.

The Group recognises that energy efficiency, renewable energy and GHG management are increasingly relevant to operating cost, regulatory developments and customers' expectations. Given the planned transition to new premises, SKB intends to use the new operating environment to establish a representative baseline before determining longer-term quantitative energy-reduction targets.

Climate Change and Emissions Management

Climate change and the transition towards a lower-carbon economy continue to influence sustainability reporting expectations and the operating environment of businesses. During FY2026, SKB completed an assessment of its climate-related risks and opportunities with reference to IFRS S2 *Climate-related Disclosures*. The assessment represents an initial step in strengthening the Group's understanding of climate-related considerations and its preparation for the application of the National Sustainability Reporting Framework. The detailed findings of the assessment are not presented in this Sustainability Statement and are intended to inform the Group's progressive development of climate-related disclosures.

Greenhouse gas ("GHG") emissions arise mainly from fuel used in production and vehicles, purchased electricity, business travel and employee commuting. Tracking these sources enables SKB to understand its operational carbon profile, respond to evolving disclosure expectations and identify areas where resource-efficiency measures may reduce emissions. The Group reports Scope 1 emissions from petrol, diesel and LPG, location-based Scope 2 emissions from purchased electricity, and selected Scope 3 emissions from Category 6 business travel and Category 7 employee commuting.

In FY2026, Scope 1 emissions decreased 4.2% from FY2025, while Scope 2 emissions increased by 2.6%. Selected Scope 3 emissions increased to 304.10 tCO₂e from 143.19 tCO₂e in FY2025. The increase should not be interpreted solely as an increase in travel activity. FY2026 reflects a more complete reporting boundary, including privately owned vehicles used for business travel, while centralised business-travel data collection in FY2025 covered only the six-month period from January 2025. Employee-commuting data were also updated during FY2026.

Category 6 business-travel emissions include air travel and travel using privately owned vehicles. Fuel and mileage claims attributable to privately owned vehicles were classified under Category 6, while fuel for company-owned or controlled vehicles remained within Scope 1. Company-provided vehicles were excluded from employee commuting where their fuel was already captured under Scope 1, avoiding double counting.

Solar generation of 2,640 GJ was estimated to reduce emissions by 542.72 tCO₂e in FY2026, based on the applicable grid emission factor. This indicative benefit is presented separately and is not deducted from reported Scope 2 emissions. The selected Scope 3 boundary does not represent a complete inventory of all 15 Scope 3 categories.

Sustainability Statement (Cont'd)

Environment

Workplace and Immediate Environment (continued)

Climate Change and Emissions Management (continued)

GHG indicator (tonnes CO ₂ e)	FY2026	FY2025	FY2024
Scope 1 – petrol, diesel and LPG	1,287.0	1,343.2	1,124.3
Scope 2 – purchased electricity	646.2	629.9*	519.6*
Scope 3 – Category 6 business travel	119.75	16.57	N/A
Scope 3 – Category 7 employee commuting	184.35	126.63	92.70
Total selected Scope 3	304.10	143.19	92.70
Solar generation – estimated reduction	542.7	545.8	614.1

*FY2024 and FY2025 Scope 2 emissions and solar-related reduction estimates were recalculated using the same 0.74 kgCO₂e/kWh grid factor applied in FY2026. The comparative figures therefore differ from those previously published.

Note:

1. For Scope 1 emissions, fuel volumes attributable to company-owned or controlled vehicles are multiplied by UK Government 2024, 2025 and 2026 emission factors, respectively. FY2026 energy consumption excludes fuel identified as attributable to privately owned vehicles, which is classified under Scope 3 Category 6 where used for business travel. Comparable vehicle-ownership information was unavailable for FY2024 and FY2025.
2. For Scope 2 emissions, location-based purchased-electricity emissions are calculated using the Malaysia Energy Commission Grid Emission Factor 2024 of 0.74 kgCO₂e/kWh.
3. Scope 3 Category 7 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. Standard working-day assumptions were applied without adjustment for individual leave or employment periods.
4. Scope 3 Category 6 emissions factors for fuel usage in FY2025 and FY2026 are sourced from UK Government GHG Conversion Factors for Company Reporting Version 1.0 (2025) and UK Government GHG Conversion Factors for Company Reporting Version 1.0 (2026), respectively.
5. Scope 3 emissions for air travel in FY2025 and FY2026 are obtained using the Carbon Emission Calculator of the International Civil Aviation Organisation.
6. Solar-related emissions reduction is a gross generation-based estimate and is presented separately; it is not deducted from reported Scope 2 emissions.

Water Management

Water is used in manufacturing and supporting activities, including fabrication and treatment processes. Responsible water management helps the Group control resource use and manage the quality of wastewater discharged from the plant. SKB monitors metered consumption, promotes conservation and reuse where practicable, promptly repairs any leaks identified at the plant, and treats process wastewater on-site before testing it against applicable Department of Environment requirements prior to discharge.

The Group recognises that the significance of water use depends not only on the volume consumed but also on local water availability and water-related risks. Based on the WRI Aqueduct Water Risk Atlas, SKB's Kota Damansara manufacturing operations are located in an area classified as having low to medium water stress. Water is sourced entirely from the municipal water supply. The water-use figure reported below is based on metered readings for water supplied to the premises and covers both manufacturing operations and office use.

Water use was 23,951 m³ in FY2026, an increase of 19.0% from FY2025. Water intensity also increased to 161 m³/RM million from 146 m³/RM million in FY2025, although it remained below the FY2024 level of 185 m³/RM million. The increase reflected higher production activity and orders requiring greater processing through the powder-coating line's pre-treatment process, which requires continuous water use. Given the planned relocation, SKB intends to establish a representative water-use baseline for the new operating environment before determining longer-term quantitative targets.

Water consumption indicator	FY2026	FY2025	FY2024
Total water consumption (m ³)	23,951	20,127	21,417
Water consumption intensity (m ³ /RM mil.)	161	146	185

Sustainability Statement (Cont'd)

Environment

Workplace and Immediate Environment (continued)

Waste Management

Manufacturing generates metal off-cuts, packaging, general refuse and scheduled waste. Effective segregation and handling are important for regulatory compliance, workplace conditions, material recovery and reducing the volume sent for disposal. Under its Leave-No-Trash-Behind approach, SKB promotes employee responsibility for separating recyclable, non-recyclable and organic waste, reuses cardboard packaging where practicable, and channels scrap metal and scheduled waste through appropriate collection and handling arrangements.

Total waste generated decreased by 17.7% to 203.90 tonnes in FY2026. Waste diverted from disposal increased by 27.6% to 39.1 tonnes, while waste directed to disposal decreased by 24.1% to 164.8 tonnes. Consequently, the diversion rate improved to approximately 19.2% from 12.4% in FY2025. Scheduled waste also declined to 4.0 tonnes from 13.4 tonnes in the previous year. The reduction in general waste reflected increased recycling and reuse of materials. The higher volume diverted from disposal also reflected a clean-out undertaken in preparation for the planned relocation. The reduction in scheduled waste was affected by the timing of disposal, as the second scheduled disposal occurred shortly after the financial year end. In addition, certain raw materials disposed of as scheduled waste in FY2025 are now reworked following consultation with the supplier.

No material incidents of non-compliance with applicable environmental laws or regulations, and no material environmental fines or penalties, were recorded during FY2026.

Waste indicator (tonnes)	FY2026	FY2025	FY2024
Waste diverted from disposal (recycled)	39.1	30.7	38.2
General waste directed to disposal	160.8	203.6	143.9
Scheduled waste directed to disposal	4.0	13.4	17.2
Total waste generated	203.9	247.7	199.3

Social

Labour Practices and Standards

SKB depends on a capable and reliable workforce to maintain product quality, meet production schedules and operate machinery safely. Fair labour practices, employee development and open communication support workforce stability and the Group's ability to respond to changing production requirements. The Group's workforce includes both Malaysian and non-Malaysian employees. SKB recognises the importance of applying its employment and human-rights expectations consistently across its workforce.

The Group's employment practices address fair treatment, non-discrimination, working hours, and the prevention of child and forced labour. SKB supports these commitments through training, performance feedback and employee-engagement opportunities and uses contract-based or temporary workers when additional production capacity is required. No substantiated complaints concerning human-rights violations were reported in FY2026, maintaining the Group's record from FY2025 and FY2024.

Learning and Development

Learning and development help employees maintain the technical, operational, safety and professional capabilities required in a manufacturing environment. Training needs are addressed through internal briefings, toolbox sessions, external courses and role-specific programmes, with attendance and hours monitored by employee category. Safety and operational training was planned regularly by the Safety Officer. Lean-management training was conducted to embed lean principles and support the planned relocation, while other trainings were arranged on an ad hoc basis in response to changes in the regulatory environment.

During FY2026, training covered occupational safety and operational competency, technical and business-related matters, regulatory and professional development, employee induction, and anti-bribery and corruption. Safety-related programmes included forklift operation, overhead-crane safe handling, emergency response, first aid and occupational safety and health competency training.

Sustainability Statement (Cont'd)

Social

Employees completed 3,466 training hours in FY2026. Executives accounted for 2,068 hours, Non-executives 1,132 hours, Management 200 hours, and Senior Management 66 hours. Total training hours were 21% lower than FY2025, with the reduction concentrated in Non-executive training following the higher level recorded in the previous year.

Training hours	FY2026	FY2025	FY2024
Senior Management	66	75	60
Management	200	429	150.5
Executive	2,068	1,223	102
Non-executive	1,132	2,684	151
Total	3,466	4,411	463.5

Employment and Workforce Movement

A stable workforce supports production continuity, product knowledge and consistent customer service. SKB maintains a core permanent workforce while using contract-based or temporary employees to respond to manpower shortages and production requirements. At 30 June 2026, the Group had 238 employees, comprising 198 permanent and 40 contract-based or temporary employees. The contract-based or temporary share decreased to 17% from 40% in FY2025, mainly due to challenges in renewing work permits for contract-based employees. The Group correspondingly increased its permanent workforce to meet its manpower requirements.

Workforce indicator	FY2026	FY2025	FY2024
Permanent employees	198	139	187
Contract-based / temporary employees	40	94	66
Total employees	238	233	253
Percentage of contract-based / temporary employees	17%	40%	26%

During FY2026, 55 employees left the Group, comprising 6 Executives and 49 Non-executives. There was no turnover among Senior Management or Management. The higher Non-executive turnover was mainly attributable to a group of foreign employees returning to their home countries after their work visas could not be renewed. Turnover is presented as the number of employees who left during the financial year and should be read separately from the year-end workforce snapshot.

Employee turnover (number)	FY2026	FY2025	FY2024
Senior Management	-	-	-
Management	-	-	-
Executive	6	12	15
Non-executive	49	8	17
Total	55	20	32

Employee Engagement

Employee engagement supports communication, teamwork and relationships across functions and among employees from different backgrounds. During FY2026, the Group organised activities including team building, company trips, a Buka Puasa gathering, a Raya open house and an office durian gathering.



Team Building



Company Trip

Sustainability Statement (Cont'd)

Social

Labour Practices and Standards (continued)

Employee Engagement (continued)



Buka Puasa Gathering



Raya Open House

Occupational Safety and Health

Occupational safety and health are critical to SKB because its manufacturing activities involve machinery, lifting and hoisting systems, material handling and other production hazards. The Group maintained its ISO 45001 Occupational Health and Safety Management System certification during FY2026, which provides a structured framework for identifying and managing workplace health and safety risks. It manages these risks through its Occupational Safety, Health and Environment Policy, hazard identification, risk assessment and risk control processes, operational supervision and the use of crane-operated lifting and hoisting systems to support safer material handling.

Employee participation in workplace safety is supported through the Group's Safety and Health Committee, which provides a platform for Management and employee representatives to discuss workplace hazards, safety concerns, incidents and appropriate preventive or corrective measures. The Committee remained active during FY2026 and met quarterly to review outstanding workplace safety and health matters.

Safety awareness is reinforced through toolbox meetings, seminars and job-specific training. FY2026 programmes covered safe crane handling, machinery and equipment safety, emergency response, first aid and fire safety. In total, 116 employees received training on health and safety standards during the year.

There were no work-related fatalities in FY2026. One lost-time incident was recorded, resulting in 208 hours lost and an LTIR of 0.55 per 200,000 working hours. The incident involved an employee who sustained an injury while operating production machinery and subsequently received medical treatment. Following the incident, the Group reviewed and updated the Hazard Identification, Risk Assessment and Risk Control for the machinery operating process. Corrective measures included reinforcing standard operating procedures and safety awareness, restricting access to sensor key switches to authorised supervisory personnel, and requiring the machine to be stopped where the sensor detects abnormal material. The Department of Occupational Safety and Health subsequently cancelled its compliance notice after reviewing the corrective action taken. SKB continues to focus on preventing serious workplace injuries through risk assessment, operational controls, employee training and corrective actions following incidents.

Safety Indicator	FY2026	FY2025	FY2024
Production working hours	364,290	375,239	333,440
Work-related fatalities	-	-	-
Lost-time incidents	1	-	8
Lost-time incident rate	0.55	-	4.80
Employees trained on health and safety	116	164	98

Sustainability Statement (Cont'd)

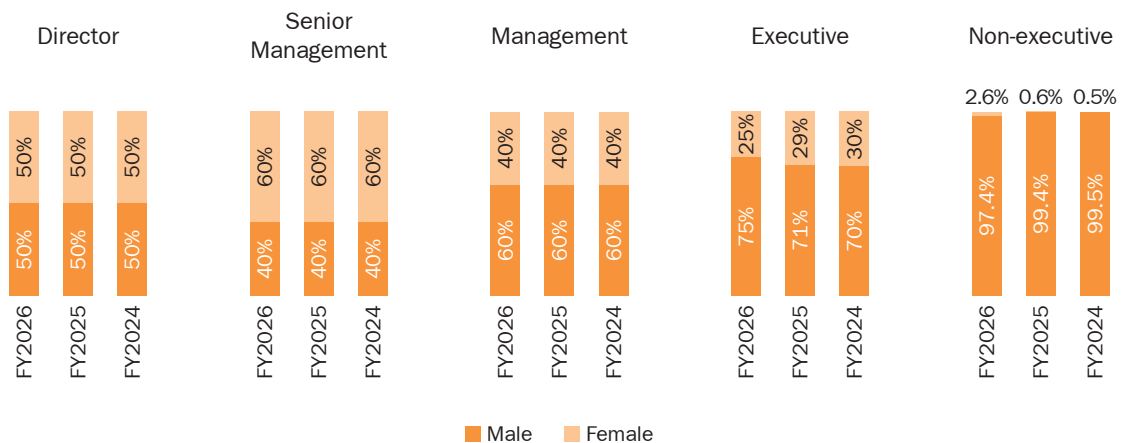
Social

Diversity, Equity and Inclusion (continued)

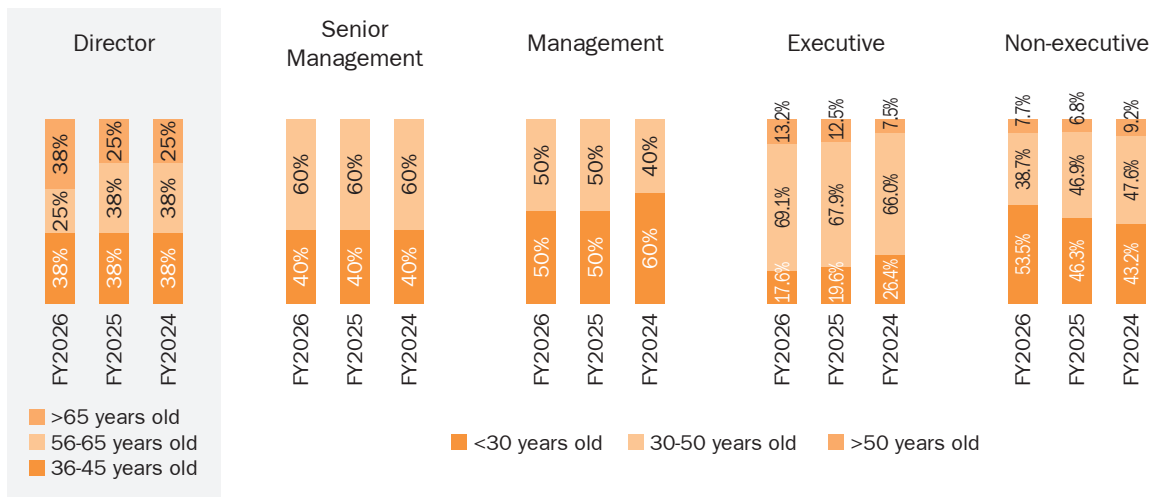
A workforce comprising employees of different genders, ages, nationalities and backgrounds broadens experience and supports the Group's manpower needs. SKB is committed to non-discrimination and equal opportunity regardless of race, religion, age, gender, sexual orientation, disability or other identity factors. Employment decisions are guided by job requirements, capability and business needs.

At 30 June 2026, the Group had eight directors and 238 employees. Women represented 11.8% of the workforce, including 60.0% of Senior Management and 40.0% of Management. Women represented 25.0% of Executives and 2.6% of Non-executives, reflecting the predominantly male composition of production roles. Employees below 30 accounted for 39.9% of the workforce, those aged 30 to 50 accounted for 47.9%, and those above 50 accounted for 12.2%. Non-Malaysian employees represented 45.4% of the total headcount.

Gender Diversity by Category



Age Diversity by Category

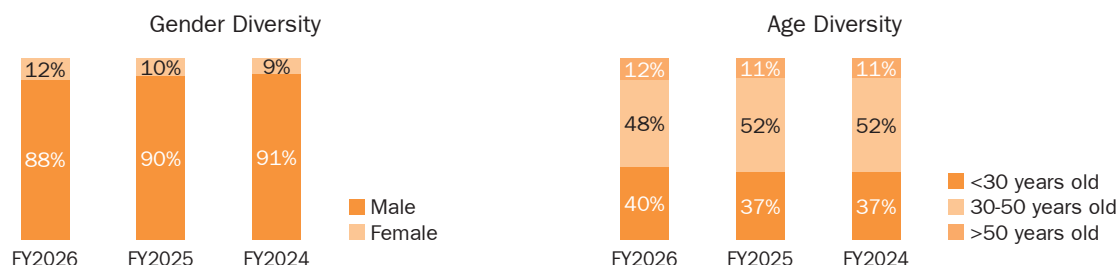


Sustainability Statement (Cont'd)

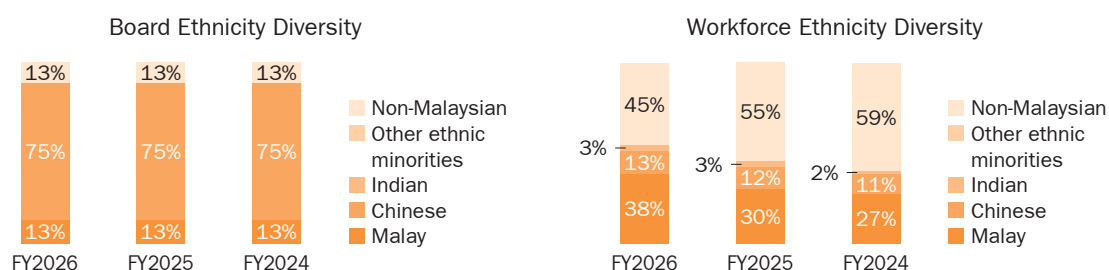
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Diversity, Equity and Inclusion (continued)

Workforce Gender and Age Diversity



Ethnicity Diversity



Community Development and Commitment

SKB recognises that its responsibilities extend beyond the workplace to the communities and institutions connected to its operations. Its community approach focuses on welfare support, practical safety-related contributions, education and engagement with organisations addressing identifiable local needs. Contributions may take the form of financial support, in-kind assistance, employee participation or technical input.

In FY2026, the Group invested RM34,181 in initiatives involving eight beneficiary organisations or entities. These included collaboration with the Feed the Needy programme, which was estimated to benefit approximately 400 underprivileged individuals and families. The performance indicator counts beneficiary organisations or entities and therefore differs from the estimated number of individual recipients reached by particular programmes.

Community indicator	FY2026	FY2025	FY2024
Community investment (RM)	34,181	91,971	59,133
Beneficiary organisations/entities	8	12	6



Sustainability Statement (Cont'd)

Governance

Corporate Governance and Compliance

Sound governance is important to SKB because product safety, regulatory compliance, procurement, employment practices and stakeholder relationships depend on responsible decisions and reliable controls. The Group's governance framework promotes accountability, ethical conduct, risk oversight and compliance across its operations.

The framework is supported by the Malaysian Code on Corporate Governance, the Anti-Bribery and Corruption ("ABC") Policy, Code of Conduct and Ethics, Whistleblowing Policy and Procedure, and the Group's wider risk-management and compliance processes. The ABC Policy communicates zero tolerance for bribery and corruption, while the whistleblowing channel allows concerns to be raised confidentially.

Anti-Corruption

SKB seeks to conduct its business ethically and to prevent bribery and corruption in its dealings with employees, suppliers, customers and other business partners. The Group's ABC Policy establishes its anti-corruption expectations, while ethics requirements are communicated through training and onboarding.

The Group's Whistleblowing Policy and Procedure provides a channel for reporting suspected misconduct or unethical behaviour. The whistleblowing channel is independently maintained by a third party, and reports may be submitted anonymously.

Senior Management, Management and Executive employees attended the Group's earlier ABC training, while subsequent new employees are briefed during onboarding. In FY2026, SKB extended dedicated ABC training to Non-executive employees, with 100 employees attending the session on 18 December 2025. This represented 64.5% of the Non-executive workforce.

The Group assessed all 12 operations for corruption-related risks during FY2026, representing 100% coverage. The assessment supports the identification of areas where ethical or compliance controls may require attention. No confirmed incidents of corruption were reported during the year.

Corporate governance indicator		FY2026	FY2025	FY2024
Percentage of employees trained on anti-corruption	Senior Management	100%	100%	100%
	Management	100%	100%	100%
	Executive	100%	100%	100%
	Non-executive	64.5%	-	-
Operations assessed for corruption-related risks		100%	100%	100%
Confirmed corruption incidents		-	-	-

Risk Management and Climate Readiness

SKB's risk-management processes support the identification, assessment and management of matters that may affect the Group's operations, financial performance, compliance and long-term resilience. Sustainability-related matters are considered alongside broader business risks where relevant. During FY2026, the Group completed an assessment of its climate-related risks and opportunities with reference to IFRS S2 Climate-related Disclosures. The assessment represents part of the Group's preparation for integrating climate-related considerations into its governance, strategy and risk-management processes.

The findings and related disclosures are expected to be presented in the next Sustainability Statement as part of the Group's phased adoption of the National Sustainability Reporting Framework.

Sustainability Statement (Cont'd)

Governance

Customer Privacy and Cybersecurity

SKB handles employee, customer and commercially sensitive information in the course of sales, project execution, procurement and administration. Protecting this information helps maintain stakeholder trust, supports business continuity and reduces exposure to privacy and cybersecurity incidents. The Group's Privacy Policy defines responsibilities for handling personal data in accordance with the Personal Data Protection Act.

Customer and business information is maintained on a local server with restricted access, encryption and audit logs, supported by established system and access controls. No substantiated complaints concerning breaches of customer privacy or losses of customer data were reported in FY2026, consistent with FY2025 and FY2024.

Data privacy indicator	FY2026	FY2025	FY2024
Substantiated customer-privacy or data-loss complaints	-	-	-

Economics

Industry Development

Industry development is closely linked to SKB's ability to supply safe, reliable and technically compliant fire shutters, doors and storage systems. The Group maintained its ISO 9001 Quality Management System certification during FY2026, supporting established processes for maintaining product and service quality and continual improvement. Product testing, certification and engagement with technical and educational stakeholders help the Group respond to changing standards, strengthen engineering capability and develop solutions for specialised applications.

SKB monitors relevant fire safety and storage system requirements and works with testing and certification bodies to verify product performance. FY2026 achievements included the successful testing of the Group's first four-hour insulated door, the testing of Malaysia's largest metal fire-rated door to MS 1073, and the ten-year fire-resistance re-test of its insulated fire shutters and fire-rated doors. These achievements support regulatory readiness, product credibility and the Group's competitive position.

The Group also hosted Universiti Teknologi MARA students for data collection and coursework relating to occupational safety and health management systems and ESG practices. The engagement provided practical exposure to manufacturing, safety and sustainability processes while supporting knowledge exchange with the education sector.

Supply Chain Management

The availability, quality and cost of steel, components and services directly affect SKB's production continuity, product quality and ability to meet delivery commitments. The Group therefore seeks to maintain reliable and transparent supplier relationships while balancing local sourcing with technical specifications, availability, quality and commercial considerations.

Suppliers are engaged through procurement processes, performance monitoring and regular communication. Local sourcing is considered where suppliers can meet the Group's operational and quality requirements, while overseas procurement is used where specialised materials, specifications or commercial considerations require it. In FY2026, total supplier expenditure was RM63.61 million, comprising RM39.31 million with local suppliers and RM24.30 million with overseas suppliers.

Local suppliers accounted for 61.8% of total supplier expenditure, compared with 71.1% in FY2025 and 77.4% in FY2024. The lower proportion of local procurement during FY2026 reflected requirements for specialised parts that were not readily available from local suppliers.

Supply chain indicator	FY2026	FY2025	FY2024
Proportion of spending on local suppliers	62%	71%	77%

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Energy Management	Total energy consumption	GJ	* 26,233	25,453	—	No assurance
Footnote 2025 The FY2025 figure has been restated following a review and reconciliation of underlying data.						
Energy Management	Energy consumption intensity	GJ/RM million	* 191	171	—	No assurance
Footnote 2025 The FY2025 figure has been restated following a review and reconciliation of underlying data.						
Energy Management	Solar energy generated	* kWh	737,574	733,402	—	No assurance
Footnote Measurement Unit Solar energy generation's unit is corrected from GJ to kWh. Underlying data is unchanged.						
Emissions Management	Scope 1	tonnes CO2e	* 1,343	1,287	—	No assurance
Footnote 2025 The FY2025 figure has been restated following a review and reconciliation of underlying data.						
Emissions Management	Scope 2 (location-based)	tonnes CO2e	630	646	—	No assurance
Emissions Management	Scope 3 - Category 6: Business Travel	tonnes CO2e	17	120	—	No assurance
Emissions Management	Scope 3 - Category 7: Employee Commuting	tonnes CO2e	127	184	—	No assurance
Water Management	Total water consumption	m³	20,127	23,951	—	No assurance
Water Management	Water consumption intensity	m³/RM million	146	161	—	No assurance
Waste Management	Waste diverted from disposal	tonnes	31	39	—	No assurance
Waste Management	Waste directed to disposal	tonnes	217	165	—	No assurance
Waste Management	Total waste generated	tonnes	248	204	—	No assurance
Labour Practices and Standards	Total hours of training by employee category - Senior Management	Hours	75	66	—	No assurance

SKB SHUTTERS CORPORATION BERHAD

BMLR Transition Period

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Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Labour Practices and Standards	Total hours of training by employee category - Management	Hours	429	200	—	No assurance
Labour Practices and Standards	Total hours of training by employee category - Executive	Hours	1,223	2,068	—	No assurance
Labour Practices and Standards	Total hours of training by employee category - Non-executive	Hours	2,684	1,132	—	No assurance
Labour Practices and Standards	Percentage of employees who are contract-based or temporary staff	Percentage (%)	40%	17%	—	No assurance
Labour Practices and Standards	Total employee turnover by employee category - Senior Management	Number	Nil	Nil	—	No assurance
Labour Practices and Standards	Total employee turnover by employee category - Management	Number	Nil	Nil	—	No assurance
Labour Practices and Standards	Total employee turnover by employee category - Executive	Number	12	6	—	No assurance
Labour Practices and Standards	Total employee turnover by employee category - Non-executive	Number	8	49	—	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	Nil	Nil	—	No assurance
Occupational Safety and Health	Number of work-related fatalities	Number	Nil	Nil	—	No assurance
Occupational Safety and Health	Lost time incident rate ("LTIR")	Rate	Nil	0.55	—	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Occupational Safety and Health	Number of employees trained on health and safety standards	Number	164	116	—	No assurance
Occupational Safety and Health	Total production hours worked	Hours	375,239	364,290	—	No assurance
Occupational Safety and Health	Number of lost time incidents	Number	Nil	1	—	No assurance
Diversity, Equity and Inclusion	Total number of employees	Number	233	238	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Senior Management Male	Percentage (%)	40%	40%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Senior Management Female	Percentage (%)	60%	60%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Management Male	Percentage (%)	60%	60%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Management Female	Percentage (%)	40%	40%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Executive Male	Percentage (%)	71%	75%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Executive Female	Percentage (%)	29%	25%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Non-executive Male	Percentage (%)	99.4%	97.4%	—	No assurance

SKB SHUTTERS CORPORATION BERHAD

BMLR Transition Period

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Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender for each employee category - Non-executive Female	Percentage (%)	0.6%	2.6%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Senior Management Under 30	Percentage (%)	0%	0%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Senior Management Between 30-50	Percentage (%)	40%	40%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Senior Management Above 50	Percentage (%)	60%	60%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Management Under 30	Percentage (%)	0%	0%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Management Between 30-50	Percentage (%)	50%	50%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Management Above 50	Percentage (%)	50%	50%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Executive Under 30	Percentage (%)	19.6%	177%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Executive Between 30-50	Percentage (%)	67.9%	69%	—	No assurance

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SKB SHUTTERS CORPORATION BERHAD

BMLR Transition Period

Date & Time: 2026-10-28_10:42:44
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Executive Above 50	Percentage (%)	12.5%	13.3%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Non-executive Under 30	Percentage (%)	46.3%	53.6%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Non-executive Between 30-50	Percentage (%)	46.9%	38.7%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group for each employee category - Non-executive Above 50	Percentage (%)	6.8%	7.7%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by gender - Male	Percentage (%)	50%	50%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by gender - Female	Percentage (%)	50%	50%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by age group - Under 35	Percentage (%)	0%	0%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by age group - Between 36-45	Percentage (%)	37.5%	37.5%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by age group - Between 46-55	Percentage (%)	0%	0%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by age group - Between 56-65	Percentage (%)	37.5%	25%	—	No assurance
Diversity, Equity and Inclusion	Percentage of directors by age group - Above 65	Percentage (%)	25%	37.5%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by gender - Male	Percentage (%)	90%	88%	—	No assurance

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity and Inclusion	Percentage of employees by gender - Female	Percentage (%)	10%	12%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group - Under 30	Percentage (%)	37%	40%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group - Between 30-50	Percentage (%)	52%	48%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by age group - Above 50	Percentage (%)	11%	12%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by ethnicity - Malay	Percentage (%)	30%	38%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by ethnicity - Chinese	Percentage (%)	12%	13%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by ethnicity - Indian	Percentage (%)	3%	3%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by ethnicity - Other ethnic minorities	Percentage (%)	0%	0%	—	No assurance
Diversity, Equity and Inclusion	Percentage of employees by ethnicity - Non-Malaysian	Percentage (%)	55%	45%	—	No assurance
Community Development and Commitment	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	91,971	34,181	—	No assurance
Community Development and Commitment	Total number of beneficiaries of the investment in communities (organisations/entities)	Number	12	8	—	No assurance

Sustainability Statement (Cont'd)

SKB SHUTTERS CORPORATION BERHAD

BMLR Transition Period

Date & Time: 2026-10-28_10:42:44
Main Market | Group 2 | FYE 30/06/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Corporate Governance and Compliance	Percentage of employees who have received training on anti-corruption by employee category - Senior Management	Percentage (%)	100%	100%	—	No assurance
Corporate Governance and Compliance	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage (%)	100%	100%	—	No assurance
Corporate Governance and Compliance	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage (%)	100%	100%	—	No assurance
Corporate Governance and Compliance	Percentage of employees who have received training on anti-corruption by employee category - Non-executive	Percentage (%)	0%	65%	—	No assurance
Corporate Governance and Compliance	Percentage of operations assessed for corruption-related risks	Percentage (%)	100%	100%	—	No assurance
Corporate Governance and Compliance	Confirmed incidents of corruption and action taken	Number	Nil	Nil	—	No assurance
Customer Privacy and Cybersecurity	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	Nil	Nil	—	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage (%)	71%	62%	—	No assurance

Statement on Risk Management and Internal Control

BOARD'S RESPONSIBILITIES

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control within the Group. The Board also recognises that reviewing the Group's risk management and internal control systems is an ongoing process to ensure appropriate strategies, controls, and monitoring mechanisms are implemented to manage risks, safeguard shareholders' investments and the Group's assets, and support the achievement of the Group's objectives.

The Board acknowledges that business decisions require an appropriate balance between risk, resources, shareholders' interests and returns. The Executive Directors and Heads of Departments are responsible for the day-to-day implementation of risk management and internal control, while the Board, supported by the Audit Committee ("AC"), derives assurance from a combination of the following oversight, management monitoring and independent assurance processes:

- Quarterly review of the financial performance and position of the Company and the Group, together with management explanations on material movements and outlook;
- Management briefings to the Board on significant business, operational, market and project developments, including order book, project execution, raw material and foreign exchange movements, supply-chain conditions, plant readiness and cash-flow considerations;
- AC's review of the Group's principal risks, mitigation measures and the preparation of this Statement;
- Review of external audit plans, significant financial reporting risks, audit findings, fraud and non-compliance considerations and auditor independence, including private sessions with the External Auditors;
- Independent assessments by the outsourced Internal Auditors on the adequacy and effectiveness of selected internal controls and governance practices, together with follow-up of agreed corrective actions; and
- Management assurance on the adequacy and effectiveness of the Group's risk management and internal control systems, supported by the respective risk and control owners.

RISK MANAGEMENT

The Executive Directors and Heads of Departments are accountable to the Board for identifying, evaluating, monitoring, and managing risks within their respective areas of responsibility; taking appropriate and timely mitigation actions; monitoring control effectiveness; and escalating significant or emerging matters for Board attention.

The Group maintains an Enterprise Risk Register which documents the principal strategic, operational, financial, regulatory, and external risks. The Risk Register assigns risk owners and records the root causes and potential impacts of risks, net likelihood and impact assessments, existing and further mitigation actions.

Management and departmental meetings, internal and external audit activities, the ISO quality management review process, corruption risk assessments, functional reviews, and sustainability and climate-related risk assessments supplement risk identification and monitoring. Management also monitors financial and operational measures such as revenue and profit against budget, project and collection status, inventory and safety stock, production and logistics performance, customer satisfaction, supplier performance, training completion and energy-related measures.

During FY2026, Management continued to monitor key business risks arising from foreign exchange volatility, fluctuations in raw material prices, supply-chain uncertainties, competitive pressure and changes in labour and regulatory costs. Mitigation measures included cost management, continuous improvement in production and workflow efficiency, shorter quotation validity periods and pricing buffers where appropriate, monitoring of sales, inventory and collections, supplier and safety-stock management, and product innovation and expansion of the Group's market outreach and customer base.

SUSTAINABILITY AND CLIMATE-RELATED RISKS AND OPPORTUNITIES

During FY 2026, the AC reviewed the Group's climate-related risk and opportunity assessment covering physical and transition risks, including operational resilience, supply-chain disruption, carbon regulation and reporting expectations, customer pressure and reputational considerations.

The assessment also identified opportunities to improve energy and resource efficiency, taking into consideration the Group's existing sustainability initiatives including solar energy generation, rainwater harvesting (for the new plant) and investments in more efficient machinery. Further work identified for future assessment will be considered as part of the Group's ongoing sustainability and risk management activities.

Statement on Risk Management and Internal Control (Cont'd)

INTERNAL CONTROL

The following are the principal control procedures and management measures embedded within the Group. These controls form part of the Group's risk mitigation, operational governance and monitoring arrangements:

- i. An organisation and reporting structure defining responsibilities, reporting lines and accountability from the Board and Executive Directors through to functional Heads of Departments;
- ii. Periodic management, departmental and cross-functional meetings to monitor financial closing, sales, claims and collections, production, purchasing, engineering, maintenance, logistics, warehousing, human resources, plant relocation, stocktake and other operational matters, with action owners and deadlines assigned where appropriate;
- iii. Application of certified management systems, including ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, and ISO 45001:2018 Occupational Health and Safety Management System, in the relevant subsidiaries;
- iv. Insurance coverage for the Group's plant, property, equipment, and certain operational and liability risks, including fire, consequential loss, property damage, theft, loss of money, burglary, fidelity guarantee, and public liability, subject to the terms, limits and exclusions of the respective policies;
- v. Documented policies, standard operating procedures and work instructions governing key business and operational processes, including production, quality assurance, procurement, sales and order management, credit control, inventory management, human resources, and occupational safety, health and environmental management;
- vi. Implementation of Anti-Bribery and Corruption and Whistleblowing Policies, supported by corruption-risk assessment, stakeholder communication, supplier due diligence, conflict-of-interest declarations, employee training and compliance-monitoring processes; and
- vii. Conflict-of-interest declaration process requiring Directors and Key Senior Management to submit annual declarations and disclose any actual, potential or perceived conflicts of interest as and when they arise.

MANAGEMENT RESPONSIBILITIES AND ASSURANCE

Management is responsible for implementing and maintaining the Group's risk management and internal control systems, identifying changes in risks and emerging risks, taking appropriate corrective actions, and reporting significant control deficiencies and risk changes that could materially affect the Group's achievement of its objectives and performance.

During FY2026, Management monitored the Group's financial and operational performance through periodic reviews of financial results against budgets, trade receivables and collections, cash-flow forecasts, production schedules and performance, inventory and stocktake results, procurement and supply-chain matters, and workforce requirements. These reviews enabled Management to identify significant variances and operational issues requiring further attention and corrective actions. The Chief Financial Officer also provided assurance to the AC that adequate processes and controls were in place to support an effective and efficient financial statement close process in the preparation of the Group's quarterly consolidated financial statements.

In preparing this Statement, the Board has received assurance from the Group Managing Director, who is also the principal officer responsible for the Group's financial matters, that the Group's risk management and internal control systems are operating adequately and effectively in all material respects for the Group's operations.

Statement on Risk Management and Internal Control (Cont'd)

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 ("SORMIC"): Guidelines for Directors of Listed Issuers.

Based on the risk management and internal control processes described above, the Board acknowledges its continuing oversight responsibility for Management's identification, assessment, monitoring and management of risks. The Board is satisfied that the Group's systems of risk management and internal control are adequate and effective in all material respects for the financial year under review and up to the date of approval of this Statement. The Group has no material joint ventures or associates requiring additional disclosures under the SORMIC guidelines.

The Board recognises that risk management and internal control systems are designed to manage, rather than eliminate, the risks associated with failure to achieve business objectives. Accordingly, these systems can provide reasonable, but not absolute, assurance against material misstatement, fraud and loss. The Board will continue to review and improve the Group's risk management, internal control and sustainability-related processes in response to changes in the business, regulatory and operating environment.

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 2026, 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 23 October 2026.

Audit Committee Report

The Audit Committee (“AC”) is pleased to present its Report for the financial year ended 30 June 2026, in compliance with Paragraph 15.15 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa”).

The AC was established to assist the Board in discharging its oversight responsibilities. The Board has delegated to the AC certain responsibilities relating to corporate governance, internal and external audit processes, internal controls and risk management systems, financial reporting, related party transactions, and conflicts of interest. The AC enhances objectivity and independence in the deliberation of specific agenda items. The AC Chairman reports to the Board on the matters discussed and deliberated during 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 of the AC is available at the Company’s website at www.skb-shutters.com.

Membership

The Board has established an effective and independent AC. The members of the AC are financially literate and possess the ability to understand matters within the AC’s purview, 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 is an alternate director. The members of the AC during the financial year ended 30 June 2026 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 AC, Mr Ng Swee Weng, is a member of the Malaysian Institute of Certified Public Accountants (MICPA), the Malaysian Institute of Accountants (MIA), and CPA Australia.

Detailed profiles of all AC members are provided in the Board of Directors’ profiles section of this Annual Report.

Attendance at Meetings

During the financial year ended 30 June 2026, five (5) AC meetings were held, and the attendance of each committee member was 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

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 unaudited quarterly financial reports before recommending them to the Board for approval and release to Bursa.
- Reviewed the annual audited financial statements of the Company and Group, including related notes, to ensure compliance with the Companies Act 2016, MMLR, Malaysia Financial Reporting Standards, and other regulatory requirements prior to Board approval.
- Reviewed management reports on operational and financial monitoring presented at Board meetings.
- Considered the appropriateness of the proposed second interim dividend for the financial year ended 30 June 2025 and first interim dividend for the financial year ended 30 June 2026, supported by the solvency statement, and recommended accordingly to the Board.

Audit Committee Report (Cont'd)

Summary Of Activities During the Year

External Audit

- Reviewed the Audit Plan with the External Auditors, covering scope, methodology, timetable, materiality, and identified risks.
- Reviewed audit results, issues arising, resolutions, and the draft Audited Financial Statements with the External Auditors.
- Held private sessions with the External Auditors (without Executive Directors and management) to discuss audit status, key audit matters, significant financial reporting issues, judgements, unusual transactions, and related party transactions (all within the holding company and wholly owned subsidiaries).
- Deliberated on key concerns raised by the External Auditors; none were noted, and full cooperation from management was confirmed.
- Evaluated the External Auditors' independence, performance, effectiveness, sufficiency of resources, and terms of engagement. The AC was satisfied and recommended their re-appointment and remuneration to the Board.
- Reviewed audit and non-audit services rendered, ensuring no conflict of interest or impairment of independence. Audit fees were considered reasonable.
- Received updates on newly effective accounting standards, sustainability reporting requirements, and Transparency Reports.
- Obtained assurance from the External Auditors confirming their independence throughout the audit engagement.

Internal Audit

- Reviewed internal audit reports, findings, and recommendations for improvements.
- Reviewed management's responses and monitored implementation of action plans through follow-up audits.
- Reviewed the Group's internal control systems, principal risks identified by Management, and adequacy of the overall control environment.
- Reviewed the Group's Enterprise Risk Register (ERR), including risk appetite, emerging risks, and action plans. No changes were noted.
- Reviewed and adopted proposals to update policies, including:
 - Inclusion of a termination clause in the Anti-Bribery and Corruption Policy (ABAC Policy).
 - Updates to the Conflict of Interest (COI) Policy, ensuring enhanced disclosures of Directors' and key management personnel's interests.

Others

- Reviewed and recommended for Board approval the following reports/statements for inclusion in the Annual Report:
 - Corporate Governance Overview Statement
 - Sustainability Statement
 - Statement on Risk Management and Internal Control
- Reviewed and recommended for Board approval the Corporate Governance Report (for release to Bursa)
- Received awareness briefing on IFRS Sustainability Disclosure Standards and reviewed the proposed Sustainability Implementation timeline to align with IFRS requirements.
- Discussed matters relating to Transfer Pricing, ERP system, and e-Invoice.
- Invited members of Management and External Auditors to attend AC meetings to clarify matters and provide updates.
- Minutes of AC meetings were recorded, confirmed at subsequent meetings, and circulated to the Board. The AC Chairman reported discussions and recommendations to the Board.
- Prepared and presented the AC Report for the financial year ended 30 June 2026 to the Board for approval.
- Discussed preparations for the Annual General Meeting.

Audit Committee Report (Cont'd)

Conflict of Interest

A COI Policy, which sets out the processes and disclosure obligations to assist the Directors and key senior management of the Group in identifying, disclosing, and managing any potential, actual, or perceived COI situations, has been reviewed by the AC and adopted by the Board.

In managing COI, the AC reviewed the annual COI declarations submitted by the Company's Directors. The AC assessed the COI situations, including transactions, procedures, or courses of conduct that could raise concerns regarding management integrity, together with the measures taken to resolve, eliminate, or mitigate such conflicts, as well as ensuring complete disclosure in the AC Report for the Annual Report.

Based on the annual declarations received, none of the Directors reported any conflict of interest.

Performance of AC

The performance of the AC and its members was reviewed annually through self-evaluation. The Nominating Committee considered the results of these assessments before making its recommendations to the Board. For the financial year ended 30 June 2026, the Board is satisfied that the AC has discharged its responsibilities and duties in accordance with its TOR.

Internal Audit Function

The AC recognises the importance of an independent and adequately resourced internal audit function in discharging its duties and responsibilities. For the financial year ended 30 June 2026, the Company outsourced its internal audit function to an independent professional services provider. The internal audit team comprises accounting graduates from local universities.

The Internal Audit function assists the Board and the AC in evaluating the Group's system of internal control, risk management, and corporate governance, ensuring an appropriate balance between controls and risks in achieving business objectives. Reviews focus on high-risk areas and assess the effectiveness of internal control structures across the Group's activities.

The Internal Auditors performed their work with reference to the principles of the International Professional Practice Framework of the Institute of Internal Auditors, covering audit planning, execution, documentation, communication of findings, and consultation with key stakeholders. The AC reviewed the engagement to ensure that the Internal Auditors' objectivity and independence were not impaired.

The Internal Auditors independently assessed management's risk identification practices and control processes, reporting their findings directly to the AC. Results and recommendations, together with implementation status updates, were communicated to both Management and the AC, serving as a basis for continuous improvement of policies and procedures.

The AC also reviewed the adequacy of the scope, functions, resources, and competency of the internal audit function, and assessed the Internal Auditors' performance in terms of technical expertise, sufficiency of manpower, and authority to carry out their work. The AC is satisfied that the outsourced professional firm is independent and able to objectively discharge its role as Internal Auditors.

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

- Quality Assurance and Research & Development
- Follow-Up Audit Report on Project Management, Inventory Management and Production
- Anti-Bribery and Corruption Review
- Sustainability Reporting - Updates on Reporting Requirements and 2025 Action Plan (Assessment Timeline & Status)
- Sustainability Implementation - Updates on Implementation Status and 2026 Action Plan (Implementation Timeline)
- Procurement
- Human Resources
- Climate-related Risks and Opportunities Assessment

The Internal Auditors issued their reports to the AC, detailing their findings and recommendations, along with Management's responses.

The total costs incurred in respect of the internal audit function for the financial year ended 30 June 2026 were RM45,500 (RM42,000 in FY2025).

Directors' Report

For the year ended 30 June 2026

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

Principal activities

The Company is principally engaged in the 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>30,667,303</u>	<u>14,259,725</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 as reported in the Directors' Report of that year :
 - 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.
- ii) In respect of the financial year ended 30 June 2026 :
 - A first interim dividend of 5.5 sen per ordinary share totalling RM10,697,766 was declared on 26 May 2026 and paid on 10 July 2026.

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 (Cont'd)

For the year ended 30 June 2026

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 1.7.2025	Bought	(Sold) Balance at 30.6.2026
Direct interests			
<u>The Company</u>			
Sin Kheng Lee - own	14,697,000	-	- 14,697,000
Sin Siew Huey - own	10,000	-	- 10,000
Sin Ching San - own	45,000	-	- 45,000
Chou Lee Sin - own	45,000	-	- 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	92,814,231	-	- 92,814,231
Sin Ching San - own	92,814,231	-	- 92,814,231
<u>Holding company</u>			
- SKB Glory Sdn. Bhd.			
Sin Kheng Lee - own	153,750	-	- 153,750

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 2026 had any interest in the ordinary shares of the Company or its related corporations during the financial year.

Directors' Report (Cont'd)

For the year ended 30 June 2026

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 2026 are as follows :

	From the Company RM	From subsidiary company RM
Directors of the Company :		
Fees	280,000	-
Remuneration	-	4,539,400
Contributions to Employees' Provident Fund	-	544,760
Estimated monetary value of benefits-in-kind	-	31,000
	<u>280,000</u>	<u>5,115,160</u>

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.

Issue of shares and debentures

There were no changes in the issued and paid-up capital of the Company and no debentures were issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

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 :

- all known bad debts have been written off and adequate provision made for doubtful debts, and
- 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 :

- 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
- that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- 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
- 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.

Directors' Report (Cont'd)

For the year ended 30 June 2026

Other statutory information (continued)

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 2026 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.

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 RM178,500 and RM43,500 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

Date : 23 October 2026

Statements of Financial Position

As at 30 June 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Assets					
Property, plant and equipment	3	90,645,274	48,814,432	-	-
Right-of-use assets	4	90,672,351	91,908,272	-	-
Investment properties	5	230,359	237,787	-	-
Investments in subsidiaries	6	-	-	17,522,940	17,522,940
Deferred tax assets	7	353,000	1,525,388	-	-
Trade receivables	8	9,014,952	7,469,766	-	-
Total non-current assets		<u>190,915,936</u>	<u>149,955,645</u>	<u>17,522,940</u>	<u>17,522,940</u>
Trade and other receivables	8	31,598,237	25,427,042	16,001,060	1,060
Contract assets	9	3,930,875	2,413,861	-	-
Inventories	10	56,145,569	57,992,848	-	-
Current tax assets		1,589,778	202,729	-	-
Short-term deposits placed with financial institutions	11	53,116,879	70,915,679	51,999,334	58,579,520
Cash and cash equivalents	12	20,101,227	4,355,006	83,838	95,750
Total current assets		<u>166,482,565</u>	<u>161,307,165</u>	<u>68,084,232</u>	<u>58,676,330</u>
Total assets		<u>357,398,501</u>	<u>311,262,810</u>	<u>85,607,172</u>	<u>76,199,270</u>
Equity					
Share capital	13	73,945,497	73,945,497	73,945,497	73,945,497
Reserves	14	119,321,924	104,163,829	614,260	1,914,922
Total equity attributable to owners of the Company		<u>193,267,421</u>	<u>178,109,326</u>	<u>74,559,757</u>	<u>75,860,419</u>
Liabilities					
Loans and borrowings	15	92,948,649	58,252,726	-	-
Lease liabilities		185,773	368,358	-	-
Deferred tax liabilities	7	272,844	-	-	-
Total non-current liabilities		<u>93,407,266</u>	<u>58,621,084</u>	<u>-</u>	<u>-</u>
Loans and borrowings	15	20,356,374	25,875,179	-	-
Lease liabilities		182,586	182,240	-	-
Trade and other payables	16	34,465,332	26,379,713	11,047,415	338,851
Contract liabilities	9	15,719,522	22,095,268	-	-
Total current liabilities		<u>70,723,814</u>	<u>74,532,400</u>	<u>11,047,415</u>	<u>338,851</u>
Total liabilities		<u>164,131,080</u>	<u>133,153,484</u>	<u>11,047,415</u>	<u>338,851</u>
Total equity and liabilities		<u>357,398,501</u>	<u>311,262,810</u>	<u>85,607,172</u>	<u>76,199,270</u>

The notes on pages 60 to 96 are an integral part of these financial statements.

Statements of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2026

	Note	Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Revenue	17	149,101,058	137,702,065	13,000,000	7,800,000
Cost of sales		(87,222,169)	(83,602,132)	-	-
Gross profit		<u>61,878,889</u>	<u>54,099,933</u>	<u>13,000,000</u>	<u>7,800,000</u>
Other income		4,023,108	3,941,693	-	-
Selling and distribution expenses		(1,534,608)	(1,584,694)	(233)	(278)
Administrative expenses		(23,008,526)	(20,770,057)	(659,856)	(601,731)
Net gain/(loss) on impairment of financial instruments	18	220,466	(58,494)	-	-
Other expenses		(199,196)	(344,682)	-	-
Results from operating activities		<u>41,380,133</u>	<u>35,283,699</u>	<u>12,339,911</u>	<u>7,197,991</u>
Finance income	18	2,067,537	1,983,850	1,919,814	1,457,445
Finance costs	19	(2,342,419)	(2,592,257)	-	-
Net finance (costs)/income		<u>(274,882)</u>	<u>(608,407)</u>	<u>1,919,814</u>	<u>1,457,445</u>
Profit before tax	18	<u>41,105,251</u>	<u>34,675,292</u>	<u>14,259,725</u>	<u>8,655,436</u>
Tax expense	21	(10,437,948)	(8,876,007)	-	-
Profit for the year		<u>30,667,303</u>	<u>25,799,285</u>	<u>14,259,725</u>	<u>8,655,436</u>
Other comprehensive income, net of tax					
Item that is or may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operation		51,179	53,035	-	-
Total other comprehensive income for the year, net of tax		<u>51,179</u>	<u>53,035</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u>30,718,482</u>	<u>25,852,320</u>	<u>14,259,725</u>	<u>8,655,436</u>
Profit for the year attributable to :					
Owners of the Company		<u>30,667,303</u>	<u>25,799,285</u>	<u>14,259,725</u>	<u>8,655,436</u>
Total comprehensive income for the year attributable to :					
Owners of the Company		<u>30,718,482</u>	<u>25,852,320</u>	<u>14,259,725</u>	<u>8,655,436</u>
Basic earnings per ordinary share (sen)	22	<u>15.77</u>	<u>16.06</u>		
Diluted earnings per ordinary share (sen)	22	<u>15.77</u>	<u>16.06</u>		

The notes on pages 60 to 96 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 June 2026

	Attributable to owners of the Company				
	Share capital RM	Translation reserve RM	Capital reserve RM	Retained earnings RM	Total equity RM
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 13.2)	27,624,343	-	-	-	27,624,343
- Dividends paid to owners of the Company (Note 23)	-	-	-	(7,780,193)	(7,780,193)
At 30 June 2025	73,945,497	(292,140)	30,000	104,425,969	178,109,326
	Note 13		Note 14		
At 1 July 2025	73,945,497	(292,140)	30,000	104,425,969	178,109,326
Other comprehensive income for the year					
- Foreign currency translation differences for foreign operation	-	51,179	-	-	51,179
Profit for the year	-	-	-	30,667,303	30,667,303
Total comprehensive income for the year	-	51,179	-	30,667,303	30,718,482
Distributions to owners of the Company:					
- Dividends paid to owners of the Company (Note 23)	-	-	-	(15,560,387)	(15,560,387)
At 30 June 2026	73,945,497	(240,961)	30,000	119,532,885	193,267,421
	Note 13		Note 14		

The notes on pages 60 to 96 are an integral part of these financial statements.

Statement of Changes in Equity

For the year ended 30 June 2026

	← Attributable to owners of the Company →		
	Share capital RM	Retained earnings RM	Total equity RM
At 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 13.2)	27,624,343	-	27,624,343
- Dividends paid to owners of the Company (Note 23)	-	(7,780,193)	(7,780,193)
At 30 June 2025/1 July 2025	73,945,497	1,914,922	75,860,419
Profit for the year representing total comprehensive income for the year	-	14,259,725	14,259,725
Contributions by and distributions to owners of the Company :			
- Dividends paid to owners of the Company (Note 23)	-	(15,560,387)	(15,560,387)
At 30 June 2026	73,945,497	614,260	74,559,757
	Note 13	Note 14	

The notes on pages 60 to 96 are an integral part of these financial statements.

Statements of Cash Flows

For the year ended 30 June 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Cash flows from operating activities					
Profit before tax		41,105,251	34,675,292	14,259,725	8,655,436
Adjustments for :					
Depreciation of :					
- property, plant and equipment	3	3,880,631	3,627,883	-	-
- right-of-use assets	4	1,235,921	1,232,080	-	-
- investment properties	5	7,428	7,428	-	-
Dividend income	17	-	-	(13,000,000)	(7,800,000)
Gain on disposal of plant and equipment	18	(155,293)	(136,582)	-	-
Gain on forfeiture of non-refundable deposits received	18	(8,558)	-	-	-
Net (gain)/loss on impairment of financial instruments	18	(220,466)	58,494	-	-
Plant and equipment written off		-	2	-	-
Allowance of inventories written down	18	353,846	375,209	-	-
Interest income	18	(2,067,537)	(1,983,850)	(1,919,814)	(1,457,445)
Interest expense	19	2,342,419	2,592,257	-	-
Unrealised loss/(gain) on foreign exchange	18	113,081	(18,641)	-	-
Operating profit/(loss) before changes in working capital		46,586,723	40,429,572	(660,089)	(602,009)
Changes in working capital :					
Inventories		1,493,433	(7,118,543)	-	-
Trade and other receivables		(7,522,554)	(5,023,518)	-	-
Contract assets		(1,517,014)	(2,413,861)	-	-
Trade and other payables		(2,553,071)	6,370,121	10,798	(38,582)
Contract liabilities		(6,367,188)	9,170,009	-	-
Cash generated from/(used in) operations		30,120,329	41,413,780	(649,291)	(640,591)
Dividend received		-	-	5,000,000	7,800,000
Tax paid		(10,379,765)	(10,808,586)	-	817
Net cash from operating activities		19,740,564	30,605,194	4,350,709	7,160,226

Statements of Cash Flows (Cont'd)

For the year ended 30 June 2026

	Note	Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Cash flows from investing activities					
Purchase of plant and equipment	A	(41,110,190)	(17,233,979)	-	-
Proceeds from disposal of plant and equipment		155,300	180,688	-	-
(Advances to)/Repayment from subsidiaries, net		-	-	(8,000,000)	4,034,711
Interest received		2,067,537	1,983,850	1,919,814	1,457,445
Withdrawal/(Placement) of short-term investment		17,798,800	(32,900,983)	6,580,186	(32,977,445)
Net cash (used in)/from investing activities		(21,088,553)	(47,970,424)	500,000	(27,485,289)
Cash flows from financing activities					
Drawdown of term loans		36,788,766	4,031,504	-	-
Repayment of term loans		(4,247,238)	(4,216,226)	-	-
Repayment of hire purchase creditors, net		(1,378,525)	(1,326,020)	-	-
Payment of lease liabilities		(182,239)	(175,038)	-	-
Issuance of shares arising from Warrants exercised	13.2	-	27,624,343	-	27,624,343
Changes in other borrowings, net		(2,858,167)	2,607,208	-	-
Interest paid	19	(4,720,309)	(3,898,371)	-	-
Dividend paid	23	(4,862,621)	(7,780,193)	(4,862,621)	(7,780,193)
Net cash from/(used in) financing activities		18,539,667	16,867,207	(4,862,621)	19,844,150
Net increase/(decrease) in cash and cash equivalents		17,191,678	(498,023)	(11,912)	(480,913)
Effect of exchange rate fluctuation on cash and cash equivalents		(94,339)	(55,450)	-	-
Cash and cash equivalents at 1 July 2025/2024		2,565,740	3,119,213	95,750	576,663
Cash and cash equivalents at 30 June	B	<u>19,663,079</u>	<u>2,565,740</u>	<u>83,838</u>	<u>95,750</u>

Statements of Cash Flows (Cont'd)

For the year ended 30 June 2026

NOTES

A. Purchase of property, plant and equipment - Group

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

	Note	2026 RM	2025 RM
Purchase of property, plant and equipment	3	45,711,480	20,238,612
Less :			
- Acquired by means of hire purchase arrangements		(2,223,400)	(1,698,519)
- Capitalisation of borrowing cost as capital work-in-progress	3.4	(2,377,890)	(1,306,114)
		<u>41,110,190</u>	<u>17,233,979</u>

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		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Cash and cash equivalents	12	20,101,227	4,355,006	83,838	95,750
Less :					
Bank overdrafts	15	(438,148)	(1,789,266)	-	-
		<u>19,663,079</u>	<u>2,565,740</u>	<u>83,838</u>	<u>95,750</u>

C. Cash outflows for leases as lessee - Group

	Note	2026 RM	2025 RM
Included in net cash from operating activities			
Payment relating to short-term leases	18	845,970	769,397
Payment relating to leases of low-value assets	18	35,416	24,658
Included in net cash from/(used in) financing activities			
Interest paid in relation to lease liabilities	19	15,760	19,063
Payment of lease liabilities		182,239	175,038
Total cash outflows for leases		<u>1,079,385</u>	<u>988,156</u>

Statements of Cash Flows (Cont'd)

For the year ended 30 June 2026

NOTES (continued)

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

	At 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/ 1.7.2025 RM	Hire purchase arrangement RM	Drawdown of new term loan RM	Net changes from financing cash flows RM	At 30.6.2026 RM
Term loans	62,125,719	-	4,031,504	(4,216,226)	61,940,997	-	36,788,766	(4,247,238)	94,482,525
Hire purchase creditors	3,109,881	1,698,519	-	(1,326,020)	3,482,380	2,223,400	-	(1,378,525)	4,327,255
Lease liabilities	536,418	189,218	-	(175,038)	550,598	-	-	(182,239)	368,359
Other bank borrowings (excluding bank overdrafts)	14,308,054	-	-	2,607,208	16,915,262	-	-	(2,858,167)	14,057,095
Total liabilities from financing activities	80,080,072	1,887,737	4,031,504	(3,110,076)	82,889,237	2,223,400	36,788,766	(8,666,169)	113,235,234

The notes on pages 60 to 96 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 2026 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 23 October 2026.

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 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 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*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*

MFRS Accounting Standards and amendments effective for annual periods beginning on or after 1 January 2029

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

MFRS Accounting Standards 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*

Notes to the Financial Statements (Cont'd)

2. Basis of preparation (continued)

(a) Statement of compliance (continued)

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 10.1 - Inventories.

Notes to the Financial Statements (Cont'd)

3. Property, plant and equipment - Group

Cost	Building improvements and building improvements (own use) RM	Building improvements (subject to operating lease) RM	Plant and machinery RM	Furniture, fittings, fixtures and equipment RM	Motor vehicles RM	Capital work-in- progress RM	Total RM
At 1 July 2024	18,666,720	14,081,912	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 2025/1 July 2025	18,666,720	14,081,912	47,232,383	22,406,148	7,365,498	18,144,037	127,896,698
Additions	-	-	957,195	349,491	1,997,270	42,407,524	45,711,480
Disposals	-	-	-	-	(723,925)	-	(723,925)
At 30 June 2026	18,666,720	14,081,912	48,189,578	22,755,639	8,638,843	60,551,561	172,884,253

Notes to the Financial Statements (Cont'd)

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

	Building and building improvements (own use) RM	Building improvements (subject to operating lease) 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 2024	7,614,741	5,744,454	41,988,676	16,908,977	5,145,311	-	77,402,159
Depreciation for the year	367,380	277,147	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 2025/1 July 2025	7,982,121	6,021,601	42,058,308	17,866,167	5,154,069	-	79,082,266
Depreciation for the year	367,380	277,146	1,155,045	1,041,509	1,039,551	-	3,880,631
Disposals	-	-	-	-	(723,918)	-	(723,918)
At 30 June 2026	8,349,501	6,298,747	43,213,353	18,907,676	5,469,702	-	82,238,979
Carrying amounts							
At 1 July 2024	11,051,979	8,337,458	5,498,292	3,702,367	1,949,731	1,707,984	32,247,811
At 30 June 2025/1 July 2025	10,684,599	8,060,311	5,174,075	4,539,981	2,211,429	18,144,037	48,814,432
At 30 June 2026	10,317,219	7,783,165	4,976,225	3,847,963	3,169,141	60,551,561	90,645,274

Notes to the Financial Statements (Cont'd)

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 :

	2026 RM	2025 RM
Plant and machinery	1,777,031	2,282,718
Motor vehicles	3,161,258	2,209,067
	<u>4,938,289</u>	<u>4,491,785</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 :

	2026 RM	2025 RM
Lease income	<u>3,500,256</u>	<u>3,462,222</u>

The operating lease payments to be received are as follows :

	2026 RM	2025 RM
Less than one year	3,500,256	3,500,256
One to two years	875,064	3,500,256
Two to three years	-	875,064
Total undiscounted lease payments	<u>4,375,320</u>	<u>7,875,576</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 15.1).

3.4 Capitalisation of borrowing costs

The Group's property, plant and equipment includes borrowing costs arising from term loan amounting to RM5,088,787 (2025 : RM2,710,897). During the financial year, the borrowing costs of RM2,377,890 (2025 : RM1,306,114) were capitalised as cost of capital work-in-progress using a capitalisation rate of 4.83% to 4.85% (2025 : 4.83% to 4.85%).

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 (Cont'd)

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

3.5 Material accounting policy information

(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 - 10 years
Motor vehicles	5 years

4. Right-of-use assets - Group

	Leasehold land RM	Forklifts RM	Total RM
At 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 2025/1 July 2025	91,373,821	534,451	91,908,272
Depreciation	(1,053,942)	(181,979)	(1,235,921)
At 30 June 2026	90,319,879	352,472	90,672,351

The Group leases a number of forklifts and two (2025 : two) parcels of leasehold land that run between 5 years and 99 years (2025 : 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 15.1).

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.

Notes to the Financial Statements (Cont'd)

4. Right-of-use assets - Group (continued)

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.

5. Investment properties - Group

	Apartment and shop office RM
Cost	
At 1 July 2024/30 June 2025/1 July 2025/30 June 2026	<u>791,415</u>
Depreciation and impairment loss	
At 1 July 2024	
Accumulated depreciation	203,958
Accumulated impairment losses	342,242
	546,200
Depreciation for the year	7,428
At 30 June 2025/1 July 2025	
Accumulated depreciation	211,386
Accumulated impairment losses	342,242
	553,628
Depreciation for the year	7,428
At 30 June 2026	
Accumulated depreciation	218,814
Accumulated impairment losses	342,242
	<u>561,056</u>
Carrying amounts	
At 1 July 2024	<u>245,215</u>
At 30 June 2025/1 July 2025	<u>237,787</u>
At 30 June 2026	<u>230,359</u>

Notes to the Financial Statements (Cont'd)

5. Investment properties - Group (continued)

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 :

	2026 RM	2025 RM
Lease income	27,000	27,000
Direct operating expenses :		
- income generating investment properties	13,354	12,256
- non-income generating investment properties	<u>1,711</u>	<u>1,147</u>

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 2026 is classified as level 3 fair value (2025 : level 3 fair value), estimated at approximately RM673,000 (2025 : RM591,000).

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 (2025 : 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 RM237 to RM600 (2025 : RM228 to RM507).

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 (Cont'd)

6. Investments in subsidiaries - Company

	2026 RM	2025 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
		2026	2025	
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	-	-	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 (Cont'd)

7. Deferred tax assets/(liabilities) - Group

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following :

	Assets		Liabilities		Net	
	2026	2025	2026	2025	2026	2025
	RM	RM	RM	RM	RM	RM
Property, plant and equipment						
- capital allowances	-	-	(1,509,000)	(1,628,886)	(1,509,000)	(1,628,886)
Right-of-use assets	-	-	(1,311,844)	(1,493,726)	(1,311,844)	(1,493,726)
Lease liabilities	88,000	132,000	-	-	88,000	132,000
Interest expense capitalised	-	-	(1,221,000)	(650,000)	(1,221,000)	(650,000)
Contract liabilities	2,026,000	3,348,000	-	-	2,026,000	3,348,000
Provisions	2,008,000	1,818,000	-	-	2,008,000	1,818,000
Deferred tax assets/(liabilities)	4,122,000	5,298,000	(4,041,844)	(3,772,612)	80,156	1,525,388
Set off of tax	(3,769,000)	(3,772,612)	3,769,000	3,772,612	-	-
Net deferred tax assets/(liabilities)	353,000	1,525,388	(272,844)	-	80,156	1,525,388

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 (Cont'd)

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

Recognised deferred tax assets/(liabilities) (continued)

Movements in temporary differences during the year are as follows :

	At 1.7.2024 RM	Recognised in profit or loss (Note 21) RM	At 30.6.2025/ 1.7.2025 RM	Recognised in profit or loss (Note 21) RM	At 30.6.2026 RM
Property, plant and equipment					
- capital allowances	(1,211,000)	(417,886)	(1,628,886)	119,886	(1,509,000)
Right-of-use assets	(1,628,612)	134,886	(1,493,726)	181,882	(1,311,844)
Lease liabilities	128,000	4,000	132,000	(44,000)	88,000
Interest expense capitalised	(333,000)	(317,000)	(650,000)	(571,000)	(1,221,000)
Contract liabilities	1,831,000	1,517,000	3,348,000	(1,322,000)	2,026,000
Provisions	1,349,000	469,000	1,818,000	190,000	2,008,000
	135,388	1,390,000	1,525,388	(1,445,232)	80,156

Unrecognised deferred tax assets

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

	2026 RM	2025 RM
Tax losses carry-forward	1,342,000	1,408,000

The tax losses carry-forward of RM1,342,000 (2025 : RM1,408,000) 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 (Cont'd)

8. Trade and other receivables

	Note	Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Non-current					
Trade					
Retention sum		9,014,952	7,469,766	-	-
Current					
Trade					
Trade receivables		17,883,095	16,597,914	-	-
Retention sum		6,832,262	5,617,418	-	-
		24,715,357	22,215,332	-	-
Non-trade					
Amount due from subsidiaries	8.1	-	-	8,000,060	60
Dividend receivable		-	-	8,000,000	-
Other receivables		256,813	241,029	-	-
Deposits		1,248,021	1,035,060	1,000	1,000
Prepayments	8.2	5,378,046	1,935,621	-	-
		6,882,880	3,211,710	16,001,060	1,060
		31,598,237	25,427,042	16,001,060	1,060
		40,613,189	32,896,808	16,001,060	1,060

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 RM633,685 (2025 : RM975,619) 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.

Notes to the Financial Statements (Cont'd)

9. Contract assets/(liabilities) - Group

	2026 RM	2025 RM
Contract assets	3,930,875	2,413,861
Contract liabilities	(15,719,522)	(22,095,268)

The contract assets relate to the Group's right to consideration for work performed on the projects but yet to be billed at the reporting date.

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.

Movements of contract assets during the year are as follows :

	2026 RM	2025 RM
Contract assets at 1 July 2025/2024	2,413,861	-
Revenue recognised but not yet billed during the year	3,930,875	2,413,861
Amounts transferred to trade receivables during the year due to billings made	(2,413,861)	-
Contract assets at 30 June	3,930,875	2,413,861

Movements of contract liabilities during the year are as follows :

	2026 RM	2025 RM
Contract liabilities at 1 July 2025/2024	22,095,268	12,925,359
Contract liabilities recognised as revenue during the year	(22,095,268)	(12,925,359)
Advances received from customers during the year	15,719,522	22,095,268
Contract liabilities at 30 June	15,719,522	22,095,268

10. Inventories - Group

	2026 RM	2025 RM
Raw materials	33,769,505	32,567,677
Work-in-progress	261,191	161,777
Manufactured inventories	22,114,873	25,263,394
	56,145,569	57,992,848

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

	2026 RM	2025 RM
Inventories recognised as cost of sales	86,868,323	83,226,923
Allowance of inventories written down	353,846	375,209

Notes to the Financial Statements (Cont'd)

10. Inventories - Group (continued)

10.1 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.

10.2 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.

11. 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.

12. Cash and cash equivalents

	Note	Group		Company	
		2026 RM	2025 RM	2026 RM	2025 RM
Cash and cash equivalents in the statements of financial position		20,101,227	4,355,006	83,838	95,750
Bank overdrafts	15	(438,148)	(1,789,266)	-	-
		<u>19,663,079</u>	<u>2,565,740</u>	<u>83,838</u>	<u>95,750</u>
Cash and cash equivalents in the statements of cash flows		19,663,079	2,565,740	83,838	95,750

13. Share capital - Group and Company

	Note	2026		2025	
		Amount RM	Number of shares	Amount RM	Number of shares
Issued and fully paid ordinary shares with no par value classified as equity instruments					
At 1 July 2025/2024		73,945,497	194,504,828	46,321,154	133,117,400
Issuance of shares arising from warrants exercised	13.2	-	-	27,624,343	61,387,428
At 30 June		<u>73,945,497</u>	<u>194,504,828</u>	<u>73,945,497</u>	<u>194,504,828</u>

13.1 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.

13.2 Issuance of shares arising from warrants exercised

During the previous 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.

Notes to the Financial Statements (Cont'd)

14. Reserves

	Note	Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Capital reserve		30,000	30,000	-	-
Translation reserve	14.1	(240,961)	(292,140)	-	-
Retained earnings		119,532,885	104,425,969	614,260	1,914,922
		<u>119,321,924</u>	<u>104,163,829</u>	<u>614,260</u>	<u>1,914,922</u>

14.1 Translation reserve

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

15. Loans and borrowings - Group

	Note	2026 RM	2025 RM
Non-current			
<i>Secured</i>			
Term loans		89,992,603	55,907,360
Hire purchase creditors		2,956,046	2,345,366
		<u>92,948,649</u>	<u>58,252,726</u>
Current			
<i>Secured</i>			
Term loans		4,489,922	6,033,637
Hire purchase creditors		1,371,209	1,137,014
		5,861,131	7,170,651
<i>Unsecured</i>			
Bank overdrafts	12	438,148	1,789,266
Bankers' acceptances		6,852,000	11,674,000
Revolving credits		4,000,000	4,000,000
Onshore foreign currency loans		3,205,095	1,241,262
		14,495,243	18,704,528
		<u>20,356,374</u>	<u>25,875,179</u>
Total loans and borrowings		<u>113,305,023</u>	<u>84,127,905</u>

15.1 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.

Notes to the Financial Statements (Cont'd)

16. Trade and other payables

	Note	Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Trade					
Trade payables		11,624,866	11,155,742	-	-
Non-trade					
Dividend payable	23	10,697,766	-	10,697,766	-
Other payables		6,377,980	9,805,070	4,319	3,780
Accrued expenses		5,157,587	4,771,115	345,330	335,071
Deposits received		607,133	647,786	-	-
		22,840,466	15,223,971	11,047,415	338,851
		<u>34,465,332</u>	<u>26,379,713</u>	<u>11,047,415</u>	<u>338,851</u>

17. Revenue

		Group 2026 RM	2025 RM	Company 2026 RM	2025 RM
Revenue from contracts with customers		149,101,058	137,702,065	-	-
Other revenue					
- Dividend income		-	-	13,000,000	7,800,000
Total revenue		<u>149,101,058</u>	<u>137,702,065</u>	<u>13,000,000</u>	<u>7,800,000</u>

17.1 Disaggregation of revenue

	Group 2026 RM	2025 RM
Timing and recognition		
At a point in time	<u>149,101,058</u>	<u>137,702,065</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 25 to the financial statements.

Notes to the Financial Statements (Cont'd)

17. Revenue (continued)

17.2 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.

17.3 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 (Cont'd)

18. Profit before tax

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

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Auditors' remuneration :				
Audit fees				
- KPMG PLT	178,500	165,000	43,500	40,000
- Other auditors	6,299	11,526	-	-
Non-audit fees				
- KPMG PLT	4,000	4,000	4,000	4,000
- Affiliates of KPMG PLT	53,650	46,900	8,850	5,900
Depreciation of :				
- Property, plant and equipment (Note 3)	3,880,631	3,627,883	-	-
- Right-of-use assets (Note 4)	1,235,921	1,232,080	-	-
- Investment properties (Note 5)	7,428	7,428	-	-
Allowance of inventories written down (Note 10)	353,846	375,209	-	-
Research and development expenses (Note 18.1)	1,686,807	1,315,340	-	-
Finance income (Note 18.2)	(2,067,537)	(1,983,850)	(1,919,814)	(1,457,445)
Gain on disposal of plant and equipment	(155,293)	(136,582)	-	-
Gain on forfeiture of non-refundable deposits received	(8,558)	-	-	-
Loss/(Gain) on foreign exchange :				
- realised	(67,561)	45,451	-	-
- unrealised	113,081	(18,641)	-	-
Expenses/(Income) arising from leases				
Expenses relating to :				
- short-term leases (Note 18.3)	845,970	769,397	-	-
- leases of low-value assets (Note 18.3)	35,416	24,658	-	-
Income from leasing of :				
- Property, plant and equipment	(3,500,256)	(3,462,222)	-	-
- Investment properties	(27,000)	(27,000)	-	-
Net (gain)/loss on impairment of financial instruments				
(Reversal of)/Impairment loss on trade receivables, net	(220,466)	58,494	-	-

18.1 Research and development expenses include Director's emoluments of RM936,478 (2025 : RM828,632).

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

18.3 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 (Cont'd)

19. Finance costs - Group

	2026 RM	2025 RM
Interest expense of financial liabilities that are not at fair value through profit or loss	4,704,549	3,879,308
Interest expense on lease liabilities	15,760	19,063
Total interest payment	4,720,309	3,898,371
Less : Capitalisation of borrowing cost as capital work-in-progress (Note 3.4)	(2,377,890)	(1,306,114)
	<u>2,342,419</u>	<u>2,592,257</u>

20. Employee information

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Personnel costs (including key management personnel)	<u>25,563,104</u>	<u>22,774,976</u>	<u>280,000</u>	<u>285,000</u>

Personnel costs of the Group (including key management personnel) include contributions to the Employees' Provident Fund of RM1,678,579 (2025 : RM1,430,972).

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

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Directors' fees	280,000	285,000	280,000	285,000
Directors' remuneration	4,539,400	3,993,400	-	-
Contributions to Employees' Provident Fund	544,760	479,220	-	-
	<u>5,364,160</u>	<u>4,757,620</u>	<u>280,000</u>	<u>285,000</u>

The estimated monetary value of Directors' benefits-in-kind of the Group and the Company are RM31,000 (2025 : RM12,116) and RM Nil (2025 : RM Nil) respectively.

Notes to the Financial Statements (Cont'd)

21. Tax expense

Recognised in profit or loss

Major components of income tax expense include :

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Current tax expense				
- Current year	8,619,000	9,834,000	-	-
- Under provision in prior year	373,716	432,007	-	-
Total current tax recognised in profit or loss	8,992,716	10,266,007	-	-
Deferred tax expense				
- Origination and reversal of temporary differences	1,549,116	(1,093,409)	-	-
- Over provision in prior year	(103,884)	(296,591)	-	-
Total deferred tax recognised in profit or loss	1,445,232	(1,390,000)	-	-
Total income tax expense	<u>10,437,948</u>	<u>8,876,007</u>	<u>-</u>	<u>-</u>
Profit for the year	30,667,303	25,799,285	14,259,725	8,655,436
Total tax expense	10,437,948	8,876,007	-	-
Profit excluding tax	<u>41,105,251</u>	<u>34,675,292</u>	<u>14,259,725</u>	<u>8,655,436</u>
Income tax calculated using Malaysian tax rate of 24%	9,865,260	8,322,070	3,422,334	2,077,305
Effect of different tax rate in foreign jurisdiction	6,027	5,885	-	-
Non-deductible expenses	873,384	884,067	158,421	144,482
Tax exempt income	(460,755)	(349,787)	(3,580,755)	(2,221,787)
Non-taxable income	(15,368)	(142,081)	-	-
Effect of exchange rate on tax losses carry-forward	(15,840)	(17,760)	-	-
Reversal of deferred tax on revaluation surplus	(137,885)	(137,886)	-	-
Others	53,293	176,083	-	-
	<u>10,168,116</u>	<u>8,740,591</u>	<u>-</u>	<u>-</u>
Under provision in prior year	269,832	135,416	-	-
	<u>10,437,948</u>	<u>8,876,007</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements (Cont'd)

22. 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 :

	2026 RM	2025 RM
Profit for the year attributable to ordinary shareholders	<u>30,667,303</u>	<u>25,799,285</u>
	Number of units	Number of units
Issued ordinary shares at beginning of the financial year	194,504,828	133,117,400
Effect of warrants exercised during the year	<u>-</u>	<u>27,538,359</u>
Weighted average number of ordinary shares	<u>194,504,828</u>	<u>160,655,759</u>
	2026 sen	2025 sen
Basic earnings per ordinary share	<u>15.77</u>	<u>16.06</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 :

	2026 RM	2025 RM
Profit for the year attributable to ordinary shareholders	<u>30,667,303</u>	<u>25,799,285</u>
	Number of units	Number of units
Weighted average number of ordinary shares at 30 June (basic)	194,504,828	160,655,759
Effect of warrants	<u>(1)</u>	<u>(1)</u>
Weighted average number of ordinary shares at 30 June (diluted)	<u>194,504,828</u>	<u>160,655,759</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.

	2026 sen	2025 sen
Diluted earnings per ordinary share	<u>15.77</u>	<u>16.06</u>

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 (Cont'd)

23. Dividends

The Company declared and paid dividends during the financial year :

	Sen per share	RM	Date of declaration	Date of payment
Dividends paid :				
2026				
First interim	5.5	<u>10,697,766</u>	26 May 2026	10 July 2026
2025				
First interim	4.0	7,780,193	27 February 2025	15 April 2025
Second interim	2.5	<u>4,862,621</u>	28 August 2025	17 October 2025

The dividends paid consisted of the following :

	Note	2026 RM	2025 RM
Dividends declared		15,560,387	7,780,193
Less : Paid during the year		(4,862,621)	(7,780,193)
Dividends payable	16	<u>10,697,766</u>	<u>-</u>

24. 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 and Note 16 to the financial statements.

(a) Transactions with subsidiaries

	Company	
	2026 RM	2025 RM
Dividend income	13,000,000	7,800,000
Advances to a subsidiary	<u>13,014,290</u>	<u>50,001</u>

(b) Transactions with holding company

	Group/Company	
	2026 RM	2025 RM
Dividends paid and payable	<u>7,425,139</u>	<u>3,712,569</u>

(c) 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 20 to the financial statements.

Notes to the Financial Statements (Cont'd)

25. 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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Malaysia	133,329,363	118,520,288	181,547,984	140,960,491
Asia (excluding Malaysia)	5,290,818	9,856,249	-	-
Australia	9,703,108	5,606,143	-	-
Middle East	745,696	3,413,696	-	-
Others	32,073	305,689	-	-
	<u>149,101,058</u>	<u>137,702,065</u>	<u>181,547,984</u>	<u>140,960,491</u>

26. Capital commitment - Group

	2026	2025
	RM	RM
Property, plant and equipment		
- Contracted but not provided for	<u>10,877,862</u>	<u>33,549,117</u>

Notes to the Financial Statements (Cont'd)

27. Financial instruments

27.1 Categories of financial instruments

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

Group	Carrying amount RM	AC RM
2026		
Financial assets		
Trade and other receivables (excluding prepayments)	35,235,143	35,235,143
Short-term deposits placed with financial institutions	53,116,879	53,116,879
Cash and cash equivalents	20,101,227	20,101,227
	<u>108,453,249</u>	<u>108,453,249</u>
Financial liabilities		
Loans and borrowings	113,305,023	113,305,023
Trade and other payables	34,465,332	34,465,332
	<u>147,770,355</u>	<u>147,770,355</u>
2025		
Financial assets		
Trade and other receivables (excluding prepayments)	30,961,187	30,961,187
Short-term deposits placed with financial institutions	70,915,679	70,915,679
Cash and cash equivalents	4,355,006	4,355,006
	<u>106,231,872</u>	<u>106,231,872</u>
Financial liabilities		
Loans 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>
Company		
2026		
Financial assets		
Trade and other receivables (excluding prepayments)	16,001,060	16,001,060
Short-term deposits placed with financial institutions	51,999,334	51,999,334
Cash and cash equivalents	83,838	83,838
	<u>68,084,232</u>	<u>68,084,232</u>
Financial liabilities		
Trade and other payables	<u>11,047,415</u>	<u>11,047,415</u>

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.1 Categories of financial instruments (continued)

	Carrying amount RM	AC RM
Company		
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>

27.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026	2025	2026	2025
	RM	RM	RM	RM
Net gains/(losses) on :				
Financial assets at amortised cost				
- Finance income	2,067,537	1,983,850	1,919,814	1,457,445
- Reversal of/(Impairment loss) on financial instruments	220,466	(58,494)	-	-
- Net foreign exchange loss	(91,868)	(290,292)	-	-
	<u>2,196,135</u>	<u>1,635,064</u>	<u>1,919,814</u>	<u>1,457,445</u>
Financial liabilities at amortised cost				
- Finance cost	(2,326,659)	(2,573,194)	-	-
- Net foreign exchange gain	46,348	263,482	-	-
- Gain on forfeiture of non-refundable deposits received	8,558	-	-	-
	<u>(2,271,753)</u>	<u>(2,309,712)</u>	<u>-</u>	<u>-</u>
	<u>(75,618)</u>	<u>(674,648)</u>	<u>1,919,814</u>	<u>1,457,445</u>

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

27.4 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 and contract assets

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 and contract assets are credit impaired.

The gross carrying amount of credit impaired trade receivables and contract assets are 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 and contract assets 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 and contract assets are represented by the carrying amounts in the statements of financial position.

Concentration of credit risk

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

	Group	
	2026	2025
	RM	RM
Malaysia	37,659,235	32,007,877
Asia (excluding Malaysia)	1,937	91,082
Oceania	12	-
	<u>37,661,184</u>	<u>32,098,959</u>

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment loss

In managing credit risk of trade receivables and contract assets, 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 :

- 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
- 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 and contract assets for all trade receivables and contract assets, 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 and contract assets.

	Gross carrying amount RM	Loss allowance RM	Net balance RM
Group			
2026			
Current (not past due)	30,144,890	-	30,144,890
1 - 90 days past due	4,967,416	-	4,967,416
	35,112,306	-	35,112,306
Credit impaired			
91 - 180 days past due	2,548,878	-	2,548,878
Individually impaired	693,990	(693,990)	-
	38,355,174	(693,990)	37,661,184
Trade receivables	34,424,299	(693,990)	33,730,309
Contract assets	3,930,875	-	3,930,875
	38,355,174	(693,990)	37,661,184

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.4 Credit risk (continued)

Trade receivables and contract assets (continued)

Recognition and measurement of impairment loss (continued)

	Gross carrying amount RM	Loss allowance RM	Net balance RM
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
More than 270 days past due	27,751	-	27,751
Individually impaired	946,456	(946,456)	-
	33,045,415	(946,456)	32,098,959
Trade receivables	30,631,554	(946,456)	29,685,098
Contract assets	2,413,861	-	2,413,861
	33,045,415	(946,456)	32,098,959

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.

Recognition and measurement of impairment loss (continued)

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

	Trade receivables - credit impaired	
	2026 RM	2025 RM
Group		
Balance at 1 July 2025/2024	946,456	2,201,587
Net remeasurement of loss allowance (Note 18)	(220,466)	58,494
Write-off	(32,000)	(1,313,625)
Balance at 30 June	693,990	946,456

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.

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.

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.4 Credit risk (continued)

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 RM117,093,346 (2025 : RM85,936,453) 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 RM1,290,118 (2025 : RM1,322,252) 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 (Cont'd)

27. Financial instruments (continued)

27.4 Credit risk (continued)

Inter-company advances (continued)

Recognition and measurement of impairment loss

Generally, the Company considers advances to subsidiaries to have 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			
2026			
Low credit risk	16,000,060	-	16,000,060
Credit impaired	1,147,147	(1,147,147)	-
	17,147,207	(1,147,147)	16,000,060
2025			
Low credit risk	60	-	60
Credit impaired	1,147,147	(1,147,147)	-
	1,147,207	(1,147,147)	60

27.5 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.

27. Financial instruments (continued)

27.5 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 :

2026	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	94,482,525	4.45 - 4.83	109,081,820	6,800,182	9,503,299	27,929,855	64,848,484
Hire purchase creditors	4,327,255	1.88 - 4.55	4,705,154	1,557,451	1,389,466	1,758,237	-
Lease liabilities	368,359	3.00 - 3.60	382,800	192,000	129,600	61,200	-
Bank overdrafts	438,148	6.70	438,148	438,148	-	-	-
Bankers' acceptances	6,852,000	4.54 - 5.22	6,852,000	6,852,000	-	-	-
Revolving credits	4,000,000	4.79 - 5.20	4,000,000	4,000,000	-	-	-
Onshore foreign currency loans	3,205,095	3.15 - 5.68	3,205,095	3,205,095	-	-	-
Trade and other payables	34,465,332	-	34,465,332	34,465,332	-	-	-
	148,138,714		163,130,349	57,510,208	11,022,365	29,749,292	64,848,484
Company							
Trade and other payables	11,047,415	-	11,047,415	11,047,415	-	-	-
Financial guarantees	-	-	118,383,464	118,383,464	-	-	-
	11,047,415		129,430,879	129,430,879	-	-	-

Notes to the Financial Statements (Cont'd)

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.5 Liquidity risk (continued)

Maturity analysis (continued)

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	-	-	-
	<u>111,058,216</u>		<u>130,816,566</u>	<u>56,583,702</u>	<u>11,306,902</u>	<u>21,831,810</u>	<u>41,094,152</u>
Company							
Trade and other payables	338,851	-	338,851	338,851	-	-	-
Financial guarantees	-	-	87,258,705	87,258,705	-	-	-
	<u>338,851</u>		<u>87,597,556</u>	<u>87,597,556</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements (Cont'd)

27. Financial instruments (continued)

27.6 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.

27.6.1 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	
	2026	2025
	RM	RM
Denominated in USD		
Trade and other receivables (excluding prepayments)	3,836,539	115,368
Cash and cash equivalents	5,452,426	2,507,188
Trade and other payables	(1,144,639)	(2,355,723)
Loans and borrowings	(1,323,688)	-
Net exposure	6,820,638	266,833

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% (2025 : 10%) strengthening of the RM against USD at the end of the reporting period would have decreased post-tax profit by RM518,368 (2025 : RM20,279). 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% (2025 : 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 (Cont'd)

27. Financial instruments (continued)

27.6 Market risk (continued)

27.6.2 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	
	2026	2025	2026	2025
	RM	RM	RM	RM
Fixed rate instruments				
Financial liabilities	(18,752,709)	(20,948,240)	-	-
Floating rate instruments				
Financial assets	56,598,035	72,761,746	51,999,334	58,579,520
Financial liabilities	(94,920,673)	(63,730,263)	-	-
	<u>(38,322,638)</u>	<u>9,031,483</u>	<u>51,999,334</u>	<u>58,579,520</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 (Cont'd)

27. Financial instruments (continued)

27.6 Market risk (continued)

27.6.2 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		
2026		
Floating rate instruments	<u>(145,626)</u>	<u>145,626</u>
2025		
Floating rate instruments	<u>34,320</u>	<u>(34,320)</u>
Company		
2026		
Floating rate instruments	<u>197,597</u>	<u>(197,597)</u>
2025		
Floating rate instruments	<u>222,602</u>	<u>(222,602)</u>

27.7 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 (Cont'd)

27. Financial instruments (continued)

27.7 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					Carrying amount RM
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Total fair value RM	
Financial liabilities						
2026						
Term loans	-	-	(94,483,000)	(94,483,000)	(94,483,000)	(94,482,525)
Hire purchase creditors	-	-	(4,327,000)	(4,327,000)	(4,327,000)	(4,327,255)
	-	-	(98,810,000)	(98,810,000)	(98,810,000)	(98,809,780)
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)

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 (2025 : 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 (Cont'd)

28. 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	
	2026	2025
	RM	RM
Loans and borrowings (Note 15)	113,305,023	84,127,905
Lease liabilities	368,359	550,598
Less : short-term deposits placed with financial institutions (Note 11)	(53,116,879)	(70,915,679)
Less : cash and cash equivalents (Note 12)	(20,101,227)	(4,355,006)
Net debt	<u>40,455,276</u>	<u>9,407,818</u>
Total equity	<u>193,267,421</u>	<u>178,109,326</u>
Debt-to-equity ratio	<u>0.21</u>	<u>0.05</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 52 to 96 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 2026 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

Date : 23 October 2026

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 52 to 96 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 23 October 2026.

.....
Sin Siew Huey

Before me :

ONG LIN TEONG
(No. P192)
Commissioner of Oaths
Penang

Independent Auditors' Report

to the members of SKB Shutters Corporation Berhad

Opinion

We have audited the financial statements of SKB Shutters Corporation Berhad, which comprise the statements of financial position as at 30 June 2026 of the Group and of the Company, and the statements of profit or loss 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 52 to 96.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026, and of their financial performance and their cash flows for the 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"), as applicable to audits of financial statements of public interest entities, 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 10 (<i>Inventories</i>)	
The key audit matter	How the matter was addressed in our audit
The Group has inventories amounting to RM56 million, representing 34% of the Group's total current assets as at 30 June 2026. 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	Our audit procedures included, amongst others : • Tested the accuracy of inventories ageing report 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; • Attended physical inventory count to observe for damaged, slow moving and/or obsolete inventories; • Identified slow moving inventories from the ageing report and ascertained that they have been written down based on the Group's policy; and • Assessed whether the manufactured 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 (Cont'd)

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 (Cont'd)

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 : 23 October 2026

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

List of Properties

As of 30 June 2026

No.	Description/Address	Date Revaluation	Tenure	Area	Existing Use	Carrying amount 30/06/2026 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	55,534,878
2	1, Jalan Eko Perindustrian 2, Eco Business Park V - West Gate, 42300 Puncak Alam, Selangor Darul Ehsan. (Previously stated as PT 10562, Mukim of Ijok District of Kuala Selangor Selangor Darul Ehsan)		Leasehold - 99 years expiring 2101	39,689 sq.m.**	Factory	34,785,001
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	18,100,384
2	Corporate Tower Subang Square CT-01-17, Jln SS 15/4G 47500 Subang Jaya, Selangor	28/06/2011	Freehold	810 sq.ft.	Rent	168,464
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	61,894
Total						108,650,622

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

** The land area for this industrial lot has been adjusted to 39,689 sq.m. to accurately reflect only the specific portion acquired by the Group. The land sizes disclosed in the Annual Reports for FY2023 to FY2025 mistakenly stated the entire master title area (474,900 sq.m.). The Group reiterates that the original acquisition announcement dated 1 November 2022 was fully accurate. As the Group's audited historical carrying amounts and financial valuations have always been based strictly on the correct acquired portion, this narrative rectification has zero impact on the financial position, net assets, or earnings of the Group.

Analysis of Shareholdings

As of 30 September 2026

TOTAL ISSUED SHARES : 194,504,828
 CLASS OF SHARE : Ordinary shares
 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	0.5587	322	0.0002
100 - 1,000	214	10.8685	128,600	0.0661
1,001 - 10,000	958	48.6541	4,917,700	2.5283
10,001 - 100,000	657	33.3672	21,477,500	11.0421
100,001 - <5% of shares	127	6.4500	59,282,475	30.4787
5% of shares and above	2	0.1016	108,698,231	55.8846
Total	1,969	100.0000	194,504,828	100.0000

* Less than 0.01%

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	16,197,000	8.3273	92,859,231 *	47.7414
3 Chou Lee Sin	45,000	0.0231	109,011,231 #	56.0455
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	16,197,000	8.3273	92,859,231 *	47.7414
2 Chou Lee Sin	45,000	0.0231	109,011,231 #	56.0455
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 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 (Cont'd)

As of 30 September 2026

LIST OF 30 LARGEST SHAREHOLDERS

NO.	NAME	SHAREHOLDINGS	%
1	SKB GLORY SDN BHD	92,814,231	47.7182
2	MALACCA EQUITY NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIN KHENG LEE	15,884,000	8.1664
3	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	5,697,700	2.9293
4	CIMB GROUP NOMINEES (ASING) SDN. BHD. EXEMPT AN FOR DBS BANK LTD (SFS)	4,091,733	2.1037
5	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LGF)	3,937,700	2.0245
6	LEE CHEE BENG	3,311,500	1.7025
7	MOHD HAFIZ BIN HASHIM	2,955,717	1.5196
8	UNIVERSAL TRUSTEE (MALAYSIA) BERHAD ETSW SBS (CLIENTS' ACC)	1,866,000	0.9594
9	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEE JEN TONG (7003685)	1,243,200	0.6392
10	AZIZ BIN BAHAMAN	1,176,858	0.6051
11	CITIGROUP NOMINEES (TEMPATAN) SDN BHD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (LSMCF)	1,175,900	0.6046
12	HLIB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN KOK SAN	1,100,000	0.5655
13	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CACEIS BANK (CBLB-AIFCLNODT)	1,023,367	0.5261
14	MAYBANK NOMINEES (TEMPATAN) SDN BHD MAYBANK TRUSTEES BERHAD FOR DANA MAKMUR PHEIM (211901)	1,009,800	0.5192
15	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO SIEW LAI	1,000,000	0.5141
16	YIP SEONG YEE	860,000	0.4421
17	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE POH KWEE	753,200	0.3872
18	OOI SAY TUAN	750,000	0.3856
19	TEO KWEE HOCK	728,100	0.3743
20	LEE LAM KEIONG	654,000	0.3362
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD PHEIM ASSET MANAGEMENT SDN BHD FOR BENTA WAWASAN SDN BHD (A/C 95-230135)	608,500	0.3128
22	YAP KHONG	600,000	0.3085
23	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YIP SEONG YEE	560,000	0.2879
24	LEE BENG YONG	543,000	0.2792
25	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEO KWEE HOCK	532,900	0.2740
26	PHILLIP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR PHILLIP CAPITAL MANAGEMENT SDN BHD	517,400	0.2660
27	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LEE JIAN TAK	508,000	0.2612
28	KHOO KOOI CHIEW	500,000	0.2571
29	LEE CHOR HUAT	500,000	0.2571
30	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAI SHIH CHAU	480,000	0.2468
		147,382,806	75.7733

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Twenty Ninth (“29th”) Annual General Meeting (“AGM”) of the Company will be held at 7-Lounge, Level 2, Olive Tree Hotel Penang, 76, Jalan Mahsuri, Bandar Sunway Tunas, 11950 Bayan Lepas, Penang, Malaysia, on 27th day, November 2026 at 1:00 p.m. to transact the following business: -

As Ordinary Business:

- | | | |
|-----|--|---|
| 1. | To receive and adopt the Financial Statements for the year ended 30 June 2026 and the Reports of Directors and Auditors thereon. | (Please refer to Explanatory 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 RM280,000.00 for the year ended 30 June 2026. | Ordinary Resolution 9 |
| 4. | To approve the payment of Directors' benefits amounting to RM3,241.20 for the financial year ended 30 June 2026. | Ordinary Resolution 10 |
| 5. | To approve the payment of Directors' benefits up to an aggregate amount of RM40,000.00 for the financial year ending 30 June 2027. | Ordinary Resolution 11 |
| 6. | 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 12 |

As Special Business

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

- | | | |
|----|---|------------------------|
| 7. | Authority to allot and issue shares by Directors pursuant to sections 75 and 76 of the Companies Act 2016 | Ordinary Resolution 13 |
|----|---|------------------------|

“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.

Notice of Annual General Meeting (Cont'd)

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.”

8. Proposed New Authority To SKB Shutters Corporation Berhad (“SKB”) to purchase its own ordinary shares of up to ten percent (10%) in the entire issued and paid-up share capital of the Company at any point in time (“Proposed New Share Buy-Back Authority”) Ordinary Resolution 14

“THAT subject to the Companies Act, 2016 (“the Act”), provisions of the Company’s Constitution, Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and all other applicable laws, guidelines, rules and regulations, the Company be and is hereby authorised, to the fullest extent permitted by law, to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit and expedient in the best interest of the Company provided that:-

- (a) the aggregate number of Shares in the Company which may be purchased and/or held by the Company shall not exceed ten percent (10%) of the issued and paid-up share capital of the Company at any point in time;
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing the Shares shall not exceed the aggregate of retained profits of the Company from time to time; and
- (c) the authority conferred by this resolution will commence after passing of this ordinary resolution and will continue to be in force until:
 - (i) the conclusion of the next Annual General Meeting (“AGM”) of the Company following the general meeting at which the ordinary resolution is passed at which time the authority will lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiry of the period within which the next AGM of the Company is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occurs first; and

- (d) upon completion of the purchase(s) of the Shares by the Company, the Directors of the Company be and are hereby authorized to cancel all the Shares so purchased, retain the Shares so purchased as treasury shares for distribution as dividends to the shareholders of the Company and/or resale through Bursa Securities in accordance with the relevant rules of Bursa Securities, or to retain part of the Shares so purchased as treasury shares and cancel the remainder in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the requirements of Bursa Securities and any other relevant authorities for the time being in force;

Notice of Annual General Meeting (Cont'd)

AND THAT the Directors of the Company be and are hereby authorized to sign and execute all documents, and do all acts and things as may be required for or in connection with and to give effect to, and to implement the Proposed Share Buy-Back with full power to do all such acts as they may consider necessary or expedient so as to give full effect to the same with further power to assent to any condition, modification, variation and/or amendment as may be required or imposed by the relevant authorities.”

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

By Order of the Board

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

Penang, 28 October 2026

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 Lebuhr Pantai, 10300 George Town, 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 (*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.



Notice of Annual General Meeting (Cont'd)

(A) Appointment of Proxy: - (continued)

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 Lebuhr Pantai, 10300 George Town, 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 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 Malaysia Securities Berhad ("Bursa Securities") Main Market Listing Requirements ("MMLR"), all resolutions set out in the Notice of the 29th 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 20 November 2026. 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 29th 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, reviewed the evaluation results, independence declarations and eligibility of all eight (8) Directors due for retirement under the Company's Constitution, and recommended their re-election to the Board for shareholders' approval (the Nominating Committee members abstained from deliberation on their own re-election) 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 Board meeting.

Notice of Annual General Meeting (Cont'd)

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

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 2026.

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 recognised that the fees payable are in the best interest of the Company.

4. Ordinary Resolutions 10 and 11 - Payment of Directors' benefits

The proposed Ordinary Resolution 10 reflects the actual amount reimbursed for the financial year ended 30 June 2026. The proposed Ordinary Resolution 11 is to facilitate payment of Directors' benefits for the financial year ending 30 June 2027, on the assumption that all Directors will hold office until the end of the financial year. Payment of the Directors' benefits will be made to the respective Directors as and when incurred if the proposed Ordinary Resolution 11 is passed by the shareholders at the AGM. In the event the Directors' benefits proposed is insufficient (e.g. due to an enlarged Board size), approval will be sought at the next Annual General Meeting for additional benefits to meet the shortfall.

5. Resolution 12 – 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 FY2026 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 2026, approved the Audit Committee's recommendation that shareholders' approval be sought at the 29th AGM on the re-appointment of KPMG as the auditors of the Company, as set out under Resolution 12.

(C) Explanatory Notes to Special Business: -

1. Resolution 13 – Authority to allot and issue shares by Directors pursuant to sections 75 and 76 of the Act

The proposed Ordinary Resolution 13 is for the purpose of granting a renewed general mandate ("General Mandate") which was approved at the 28th AGM held on 24 November 2025 and which will lapse at the conclusion of the 29th 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.

Notice of Annual General Meeting (Cont'd)

(C) Explanatory Notes to Special Business: - (continued)

1. Resolution 13 – Authority to allot and issue shares by Directors pursuant to sections 75 and 76 of the Act (continued)

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.

2. Ordinary Resolution 14 – Proposed New Share Buy-Back Authority

The proposed Resolution 14, if passed, will give the Directors of the Company authority to purchase its own shares up to ten per centum (10%) of the total number of issued shares of the Company. In order to avoid any delay and costs involved in convening a general meeting, it is thus appropriate to seek shareholders' approval. This authority, unless revoked or varied by the shareholders of the Company in general meeting, will expire at the conclusion of the next AGM.

The Board notes that the substantial shareholder and its Person(s) Acting in Concert (PACs) hold more than 50% of the voting shares, and as such, any increase in their percentage holding resulting from the Proposed Share Buy-Back Authority will not give rise to any obligation to undertake a Mandatory General Offer.

- (D) **The Annual Report 2026 and Corporate Governance Report 2026 are available for download at www.skb-shutters.com**

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 29th AGM of the Company.

Administrative Guide

For The Twenty Ninth Annual General Meeting (“29th AGM”)

Day & Date : Friday, 27 November 2026
Time : 1:00 p.m.
Venue : 7-Lounge, Level 2, Olive Tree Hotel Penang, 76, Jalan Mahsuri, Bandar Sunway Tunas, 11950 Bayan Lepas, Penang, Malaysia

Registration on the day of the 29th AGM

Registration will commence at **12.00 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 29th AGM

Only a depositor whose name appears on the Record of Depositors as at 20 November 2026 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 Lebuhr Pantai, 10300 George Town, 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 (cont'd)

For The Twenty Ninth Annual General Meeting ("29th 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 George Town, 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 29th 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 29th 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 29th AGM or any adjournment thereof.

Poll voting

The resolutions to be tabled at the 29th 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 29th AGM Documents

As part of the Company's dedicated commitment to sustainable practices, we would appreciate your support by joining us to promote "Act Green" initiative to achieve environmentally responsible and paperless. We encourage you to refer to the digital version which can be viewed and downloaded from the Company's website at www.skb-shutters.com and on Bursa Malaysia Securities Berhad's website at www.bursamalaysia.com :

- (a) Annual Report 2026
- (b) Circular to Shareholders dated 28 October 2026
- (c) Corporate Governance Report
- (d) Notice of 29th AGM, Proxy Form and Administrative Guide of the 29th AGM
- (e) Request Form



Scan the QR code beside to access the investor relations

Should you require a printed copy of the Annual Report and/or the Circular to Shareholders, please complete the Request Form and send the Request Form to the Share Registrar, Plantation Agencies Sdn. Berhad. Alternatively, you may also make your request through fax or email to the fax number/email address given below.

No Door Gifts/Vouchers

There will be no distribution of door gifts/vouchers to members/proxies/corporate representatives who participate in the 29th AGM.

No Recording or Photography

Please note that recording or photography of the 29th AGM proceedings is strictly prohibited without prior written permission of the Company.

Administrative Guide (cont'd)

For The Twenty Ninth Annual General Meeting (“29th AGM”)

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
- Fax No. : +604-2622018
- Email : sharereg@plantationagencies.com.my
- Contact person : Mr YW Tai

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.

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 Shuttters 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 Ninth Annual General Meeting of the Company to be held at 7-Lounge, Level 2, Olive Tree Hotel Penang, 76, Jalan Mahsuri, Bandar Sunway Tunas, 11950 Bayan Lepas, Penang, Malaysia on 27th day, November 2026 at 1:00 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		
8	To re-elect Ir Yeoh Yen Shiong		
9	To approve Directors' Fees of RM280,000.00 for the year ended 30 June 2026		
10	To approve Directors' benefits amounting to RM3,241.20 for the financial year ended 30 June 2026.		
11	To approve Directors' benefits up to an aggregate amount of RM40,000.00 for the financial year ending 30 June 2027.		
12	To re-appoint Messrs KPMG PLT as auditors of the Company		
13	Authority to Issue Shares Pursuant to Sections 75 and 76 of the Act		
14	Proposed New Share Buy-Back Authority		

(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 2026.

.....
 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 George Town, Pulau Pinang.
 - By electronic means (only applicable to individual)
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 - 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 George Town, Pulau Pinang. The certificate of appointment of authorised representative should be executed in the following manner: -
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 - (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 29th 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 20 November 2026. 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 29th 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 George Town, Pulau Pinang

Then fold here



SKB SHUTTERS CORPORATION BERHAD

199701014865 (430362-U)

Registered Office:

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