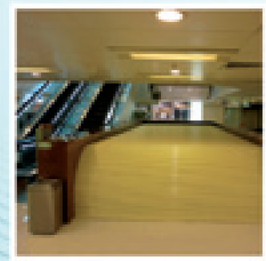
Reg. Trademark No. 85/B03843

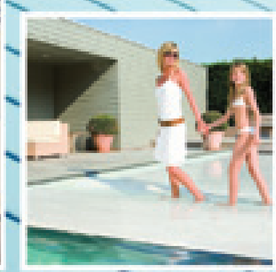
SKB Shutters Corporation Berhad

(430362-U)

ANNUAL
REPORT
2012



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Dear Shareholders,

The financial year ended 30 June 2012 ("FY2012") has been another year that SKB Shutters Corporation Berhad ("SKBC") experience growth in revenue in conjunction of the continuous recovering economic outlook.

On behalf of the Board of Directors of SKBC, I am pleased to present the financial statements of the Group and the Company for the year ended 30 June 2012.

FINANCIAL PERFORMANCE

As the global economy experience a number of ups & downs throughout the year, Malaysia has been experiencing continuous growth in the economy. This has provided the Group a assisting lift in the financial performance. The Group booked total revenue of RM 62.06 million, a 19.95% rise from RM 51.74 million in the previous financial year.

In view of the economic recovery experienced market-wide, the group has benefited from the increase in sales mainly due to the increasing demand of storage racking systems, roller shutters, and aluminum windows. However, the Group recorded a lower pre-tax profit of RM1.67 million for the current year as compared to RM1.84 million in the previous financial year. The decrease of 9% in pre-tax profit was mainly due to higher administrative cost and manufacturing costs as compared to the preceding financial year.

FUTURE OUTLOOK

The Group has been continuously putting effort in creating awareness and marketing high quality customised doors and windows for both security and architectural design. The Group was confident that the niche and luxury property owners gradually perceive windows and doors as not only functional as designed but serve its purpose as security barrier and at the same time, designed to be appealing for interior and exterior furnishing. Thus, the Group foresees an increasing demand in both commercial and residential sector for security doors and shutters.

The implementation of the revised fire protection standards in the region has led to new and improved standards which puts us on a competitive edge. The revision has assisted the Group in widening the market scope and scale for fire resistance products that was once crafted to target niche and overseas market. Stricter minimum standards enacted for safety and fire protection products for both individual and commercial use has led to the Group realigning its marketing, research & development ("R&D") and production process in order to continue leveraging on its competitive edge while meeting the growing demands.

Throughout the year, the Group has received increasing positive feedback from customers and suppliers with regards to the product variety, usability and features. Over the year, the Group has been working towards incorporating both 'Quality and Functional' and 'Worth-For The-Penny' into its products starting from R&D for core features and usability to marketing and enhancing post-sales customer service. This is again aligned to the Group's goal in continuously gaining competitive edge ahead of the market participants and delivering to customers at first hand.

However it is still important to highlight that, in line with one of the main priorities of the Group, it is also actively seeking opportunities to diversify and expand the Group's coverage. This is not to be confused as the Group prioritizes its core businesses such as manufacturing and dealing of roller shutters, racking and storage system through strategic business planning and aims for effective and efficient people and cost management. It is also worth mentioning that the Group has been and is still constantly developing innovative security and architectural solution to the market with close involvement with various stakeholders including architects, property owners and developers.

DIVIDEND

In view of the Group's performance for the financial year ended 30 June 2012, the Board does not recommend any dividend for the financial year ended 30 June 2012.

A NOTE OF APPRECIATION

On behalf of the Board of Directors, I would like to record my gratitude to our loyal customers, suppliers, business partners and shareholders for their continuous support and confidence in the Group.

A special note of appreciation goes to the management team and employees of the Group for their relentless commitment, dedication, hard work and unwavering loyalty in ensuring the Group's continued success.

SIN KHENG LEE
Executive Chairman and Group Managing Director

Corporate Structure

Reg. Trademark No. 85/B03843

SKB Shutters Corporation Berhad

(430362-U)

Investment Holding

100%
SKB Shutters Manufacturing Sdn Bhd (31982W)
Manufacture and sale of roller shutters, racking systems, storage systems and related steel products

100%
SKB Storage Industries Sdn Bhd (557922U)
Manufacture and sale of roller shutters, racking systems, storage systems and related steel products

100%
SKB Shutters Industries Sdn Bhd (368833K)
Manufacture and provides repair services for motor components

100%
SKB Trading Sdn Bhd (238291W)
Trading in roller shutter parts, related steel products and racking systems

100%
SKB Shutters (S) Pte.Ltd. (200909146H)
Trading of roller shutters, racking systems and storage systems

20%
RYDE (Malaysia) Sdn Bhd (248030W)
(formerly known as Rigida (Malaysia) Sdn Bhd)
Manufacturing of bicycle alloy rims

Corporate Information

Board of Directors

- Sin Kheng Lee
  (Executive Chairman and Group Managing Director)
- Dato' Moehamad Izat bin Achmad Habechi Emir
  (Deputy Chairman, Non-Independent Non-Executive Director)
- Sin Ching San
  (Executive Director)
- Chou Lee Sin
  (Executive Director)
- Lai Lan Man @ Lai Shuk Mee
  (Independent Non-Executive Director)
- You Tong Lioung @ Yew Tong Leong
  (Independent Non-Executive Director)
- Mohd Arif bin Mastol
  (Independent Non-Executive Director)
- Sin Siew Huey
  (Executive Director)

Company Secretaries

- Ong Tze-En (MAICSA 7026537)
- Chin Lee Phing (MAICSA 7057836)

Registered Office

Suite 2-1, 2nd Floor
Menara Penang Garden
42A, Jalan Sultan Ahmad Shah
10050 Penang
Tel: (604) 229 4390
Fax: (604) 226 5860

Principal Bankers

Malayan Banking Berhad (3813-K)
Ambank (M) Berhad (8515-D)
Public Bank Berhad (6463-H)

Audit Committee

- You Tong Lioung @ Yew Tong Leong (Chairman)
- Lai Lan Man @ Lai Shuk Mee
- Mohd Arif bin Mastol

Registrar

AGRITEUM Share Registration Services Sdn Bhd (578473-T)
2nd Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Penang
Tel: (604) 228 2321
Fax: (604) 227 2391

Auditors

KPMG (Firm No. AF 0758)
Chartered Accountants
1st Floor, Wisma Penang Garden
42, Jalan Sultan Ahmad Shah
10050 Penang

Principal Place of Business

Lot 22, Jalan Teknologi
Taman Sains Selangor 1
Kota Damansara
47810 Petaling Jaya
Selangor Darul Ehsan
Website: www.skb-shutters.com

Stock Exchange Listing

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

SIN KHENG LEE
Executive Chairman and Group Managing Director, age 55

Mr Sin Kheng Lee was appointed to the Board of SKBC 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.

He is currently responsible of the overall developments of products and businesses of SKBM, which includes overseeing the manufacturing, administrative and operating functions of the company. With his vast experience of 30 years in the rollers shutters industry, he has successfully brought about the rapid expansion, modernization and diversification of the company's manufacturing activities, hence provided the necessary guidance and contribution towards the management activities of the Group. He also sits on the Board of several other private companies.

He was appointed as a committee member of the Malaysia Fire Protection Association from 2009 till 2011.

DATO' MOEHAMAD IZAT BIN ACHMAD HABECHI EMIR
Deputy Chairman, Non-Independent & Non-Executive Director, age 74

Dato' Moehamad Izat was appointed to the Board of SKBC on 10 February 2001. He was appointed as a Director of SKBM on 3 March 1997. He was subsequently appointed as Deputy Chairman on 29 August 2006. He started work after completing his secondary education. He is a prominent Malaysian businessman with extensive international business and corporate experiences.

During 1984 to 1997, he was the Chairman of the Malay Chamber of Commerce, Kuala Lumpur. He is the founder cum President of Malay Business and Industrialists Association of Malaysia (PERDASAMA) since it was established in December 1998.

He acts as Chairman to various organizations, among others IMPSA (M) Sdn. Bhd., Emir Holdings Sdn Bhd and Inno-Pacific Holdings Limited, Singapore.

He is an active member of delegation for almost every International Official Visit of the country's Premier. He was one of the speakers in the, "National Summit on Achieving Zero Inflation" and he was also served as Chairman of Panel Discussion on the "State Entrepreneur Education Seminar: Business Ethics in a Secured Nation", both of the events were held in Kuala Lumpur in 1995. Apart from being a participant in many economy and social related seminars and conferences locally and abroad, he is proactive Chairman of the organization Committee for various events in such nature. Most of the events he organized and aimed to improve Malay Entrepreneurs' performance in business and industry.

He held several key positions in United Malay National Organization (UMNO). He was the Vice Chairman of UMNO Puchong Division from 1993 to 1994. He was the Vice Chairman of UMNO Subang Division from 1994 to 1995. He was elected as Permanent Chairman of Petaling Jaya Selatan UMNO Youth from 1998 to 2001. He also held the office of Chairman of the National Consumer Affairs Council of Malaysia for three terms beginning from 1995. He was a member of Petaling Jaya Municipal council from 1992 to 1995 and a member of the Subang Jaya Municipal Council from 1996 to 1998. He has been appointed by Ministry of Agriculture Malaysia as MARDI Scientific Council Member effective since June 2003. In February 2004, he was appointed as Committee Member for Malaysia International Trade and Industry (MITI) New Industry Plan by Ministry of International Trade and Industry Malaysia.

Due to his vast achievements and public services, he was conferred with Darjah Dato' Paduka Perak (DPMP) by the Sultan of Perak and awarded with Ali Mangku Negara (AMN).

SIN CHING SAN
Executive Director, age 44

Mr Sin Ching San was appointed to the Board of SKBC on 10 February 2001. He started work after completing his secondary education. He has over 23 years of experience and exposure in the roller shutters and metal-based industry. He was appointed to the Board of SKBM on 25 June 1992. He is also the Director of several 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 metal-based products through innovation.

CHOU LEE SIN
Executive Director, age 53

Ms Chou Lee Sin was appointed to the Board of SKBC 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 responsible for the overall administration and financial matters. She was subsequently appointed as a Director of SKBM on 26 June 1997. She is currently holding the position of General Manager in SKB Trading Sdn Bhd and is responsible for its finance and administration. She has accumulated over 29 years of experience in the roller shutters and metal based industry. She also sits on the Board of several other private companies.

LAI LAN MAN @ LAI SHUK MEE
Independent Non-Executive Director, age 57

Ms Lai Lan Man was appointed to the Board of SKBC on 10 February 2001. She is a member of our Audit Committee. She obtained her first degree in B.A. (Econs) from University of Malaya in 1978 and thereafter worked in personnel management for six and a half years. She later completed her LLB through the University of London External Programme and was called to the English bar in July 1988 and then to the Malaysian Bar in 1989.

She worked briefly with Messrs Chooi & Company after completing her chambering and in 1990 set-up legal practice which is now known as Messrs Lai, Yoong & Rita.

YOU TONG LIOUNG @ YEW TONG LEONG
Independent Non-Executive Director, aged 76

Mr You Yong Lioung was appointed to the Board of SKBC on 10 February 2001. He also chairs our Audit Committee.

Upon graduation from Nanyang University in Singapore with a Bachelor of Commerce degree majoring in Banking, Mr. Yew naturally chose banking as his career by joining UMBC (i.e. United Malayan Banking Corporation Berhad which is presently known as RHB Bank Berhad) on 16 December 1960. It was there he trained intensively as a Bills Officer specializing in import and export trade financing. After one year, he was posted to several branches throughout the country as Branch Manager for a period of about 23 years.

After his rounds in the branches, he resigned from UMBC and joined the Malaysian French Bank (formerly known as French Bank, and now known as Alliance Bank) in 1985 as a Branch Manager serving in several branches for a period of about 11 years.

To further his career development, he retired from the bank in November, 1996 to join a construction company as a Senior Operation Manager in Kedah.

He left the construction company in July, 1998 to join Kurnia Insurans (M) Bhd, a leading general insurance company in Malaysia and Asean, as a Senior Manager until February 2012.

He was also appointed to the Board of Toyo Ink Group Berhad as an Independent Non-Executive Director on 4 August 2003. He is also a member of their Internal Audit and Remuneration Committees.

SKBC stands to benefit significantly from his vast experience and rich knowledge earned from the financial sector and other sectors over the years.

MOHD ARIF BIN MASTOL
Independent Non-Executive Director, aged 58

En Mohd Arif was appointed to the Board of SKBC on 28 June 2002. He is a member of our Audit Committee. He started work after completing his Diploma in Accountancy in 1977. He then obtained his Degree in Accountancy in 1984. With that he was admitted as Member of Malaysian Institute of Accountants in 1998. He has accumulated more than 30 years of experience in Accounts, Finance & Administration with Manufacturing, Local Authority, Telecommunication and Development Company. He is also an Independent Non-Executive Director of Leader Steel Holding Berhad and Federal Furniture Holdings (M) Berhad.

SIN SIEW HUEY
Executive Director, aged 30

Ms Sin Siew Huey was appointed to the Board on the 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. She is a member of the CPA Australia.

Notes :

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

None of the directors has any conflict of interest with SKBC other than as disclosed in the Directors' Report and Notes to the Financial Statements. None of the directors had been convicted for offences within the past 10 years other than traffic offences.

None of the directors has any family relationship with any director and/or major shareholder of SKBC other than:

(i) Chou Lee Sin who is the spouse of Sin Kheng Lee while Sin Ching San and Sin Kheng Lee are brothers.

(ii) Sin Kheng Lee, Sin Ching San and Chou Lee Sin have interest in SKB Glory Sdn. Bhd., a substantial shareholder of SKBC.

(iii) Sin Siew Huey is the daughter of Sin Kheng Lee and Chou Lee Sin.

None of the directors has any other directorship in public companies except Mr You Tong Lioung @ Yew Tong Leong and En Mohd Arif Bin Mastol whose directorships have been shown above.

The Board of Directors fully appreciates the importance of adopting high standards of corporate governance within the Group. The Board views corporate governance as synonymous with three key concepts, namely transparency, accountability as well as corporate performance.

As such, the Board strives to adopt the substance behind corporate governance prescriptions and not merely the form. The Board is thus fully committed to the maintenance of high standards of corporate governance by supporting and implementing the prescriptions of the principles and best practices set out in Parts 1 and 2 of the Malaysian Code on Corporate Governance (the "Code") respectively.

The Board is pleased to provide the following statements, which outline the main corporate governance practices that were in place throughout the financial year, unless otherwise stated.

Principles statement

The following statement sets out how the Company has applied the principles in Part 1 of the Code. The principles are dealt with under the following headings: Board of Directors, Directors' remuneration, Shareholders and Accountability and audit.

A Board of Directors

Board responsibilities
The Group acknowledges the pivotal role played by the Board of Directors in the stewardship of its direction and operations, and ultimately the enhancement of long-term shareholder value. To fulfill this role, the Board is responsible for the overall corporate governance of the Group, including the strategic direction, establishing goals for the management and monitoring the achievement of these goals. Directors from time to time are brought to the locations of the manufacturing plants to have a thorough understanding of their operations.

Meetings
The Board ordinarily meets at least four (4) times a year at quarterly intervals with additional meetings convened when urgent and important decisions need to be taken between the scheduled meetings. During the year ended 30 June 2012, the Board met on four (4) occasions, where it deliberated upon mainly the Group's financial results. The operational aspects of the Group are delegated to the Executive Directors.

The Board receives documents on matters requiring its consideration prior to and in advance of each meeting. All proceedings from the Board meetings are recorded and the minutes thereof signed by the Chairman of the meeting.

Details of the Directors' attendance at the Board Meetings held during financial year ended 30 June 2012 are as follows :-

Directors	Number of Board meetings held during Directors' tenure in office	No. of meetings attended by Directors
Sin Kheng Lee	4	4
Dato' Moehamad Izat bin Achmad Habechi Emir	4	4
Sin Ching San	4	4
Chou Lee Sin	4	3
You Tong Lioung @ Yew Tong Leong	4	3
Lai Lan Man @ Lai Shuk Mee	4	3
Mohd Arif Bin Mastol	4	3
Sin Siew Huey	4	4

Board Committees
The Board of Directors delegates certain responsibilities to the Audit Committee in order to enhance business and operational efficiency as well as efficacy. The Audit Committee has written terms of reference and the Board receives reports of its proceedings and deliberations. The Chairman of the Audit Committee will report to the Board the outcome of the committee meetings and such reports are incorporated in the minutes of the full Board meeting.

Board Balance
As at the date of this statement, the Board consists of eight (8) members, comprising one (1) Non-Independent Non Executive Director, three (3) Independent Non-Executive Directors and four (4) Executive Directors. The Directors, with their different backgrounds and specialisation, collectively bring with them a wide range of experience and expertise in areas such as finance, legal and corporate affairs, marketing and operations. This mix of skill is vital for the successful direction of the Group. The brief profile of each Director is presented on pages 5 to 7 of this annual report.

The roles of the Chairman and the Chief Executive Officer are currently not separated. The Group Managing Director is primarily responsible for the orderly conduct and the working of the Board, day to day running of the business and implementation of Board policies and decisions. The presence of Independent Non-Executive Directors is essential as they provide unbiased and independent views, advice and judgment as well as to safeguard the interest of other parties such as minority shareholders.

The Board is satisfied that the current Board composition fairly reflects the investment of minority shareholders in the Company.

Supply of information
The Chairman, with the assistance of the Company Secretaries, ensures that all Directors have full and timely access to information with Board papers distributed in advance of meetings. Every Director also has unhindered access to the advice and services of the Company Secretaries. The Board believes that the current Company Secretaries are capable of carrying out their duty to ensure the effective functioning of the Board. The Articles of Association specifies that the removal of the Secretary is a matter for the Board as a whole.

The Directors meet, review and approve all corporate announcements, including the announcement of the quarterly financial reports, prior to releasing them to the Bursa Malaysia Securities Berhad ("Bursa Securities").

The Board as a whole will determine, whether as a full board or in their individual capacity, to take independent professional advice, where necessary and in appropriate circumstances, in furtherance of their duties, at the Group's expense.

Directors' training
The Board, as a whole, ensures that it appoints to the Board only individuals of sufficient calibre, knowledge and experience to fulfill the duties of a Director appropriately. There is no formal training programme for Directors.

All Directors have attended and successfully completed the Mandatory Accrediation Programme prescribed by Bursa Securities.

Seminars and conferences attended by Directors during the financial year ended 30 June 2012 include the following:

Name of Director	Seminar and Conference Attended
Sin Kheng Lee	• Internal Quality Audit Training for ISO 9001:2009
Chou Lee Sin	• Internal Quality Audit Training for ISO 9001:2009
Sin Ching San	• Internal Quality Audit Training for ISO 9001:2009
Sin Siew Huey	• Internal Quality Audit Training for ISO 9001:2009 • The Essentials of Budgeting • The power of emotional intelligence at work
You Tong Lioung @ Yew Tong Leong	• "Business Sustainability-Making A Difference In performance" Training Programme
Mohd Arif Bin Mastol	• Seminar Tadbir Urus Korporat • Workshop On The Business Strategy In Collaboration / Consultancy Programme

The other two directors, namely Ms Lai Lan Man @ Lai Shuk Mee, and Dato' Moehamad Izat bin Achmad Habechi Emir are unable to attend any training during the financial year due to their tight business and travelling schedule.

Re-election
The Articles of Association provide that an election of Directors shall take place each year and all the Directors shall retire from office every year, but shall be eligible for re-election.

Directors over seventy (70) years of age are required to submit themselves for re-appointment annually in accordance with Section 129 (6) of the Companies Act, 1965.

The Company Secretaries will ensure that all information necessary is obtained, as well as all legal and regulatory obligations are met before the appointments are made.

B Directors' remuneration

The Company pays its Directors annual fee, which is approved annually by the shareholders.

The Board as a whole determines the remuneration of the Directors with individual Directors abstaining from decisions in respect of their individual remuneration. The remuneration of Directors is structured based on their responsibilities and contribution to the Group. The breakdown of the Directors' remuneration during the financial year is as follows:-

Type of remuneration	Executive Directors RM'000	Non-Executive Directors RM'000	Total RM'000
Fees	120	40	160
Salaries	1,224	-	1,224
Bonuses	470	-	470
Others	249	-	249
Total	2,063	40	2,103

The remuneration paid or payable to Directors, analysed into bands of RM50,000 for the financial year ended 30 June 2012 are as follows:-

Range of remuneration	Number of Directors	
	Executive	Non-Executive
Below RM 50,000	-	4
RM 50,001 to RM 100,000	-	-
RM 100,001 to RM 150,000	-	-
RM 150,001 to RM 200,000	-	-
RM 200,001 to RM 250,000	-	-
RM 250,001 to RM 300,000	-	-
RM 300,001 to RM 350,000	1	-
RM 350,001 to RM 400,000	-	-
RM 400,001 to RM 450,000	-	-
RM 450,001 to RM 500,000	2	-
RM 500,001 to RM 550,000	-	-
RM 550,001 to RM 600,000	-	-
RM 600,001 to RM 650,000	-	-
RM 650,001 to RM 700,000	-	-
RM 700,001 to RM 750,000	-	-
RM 750,001 to RM 800,000	1	-

C Shareholders

The Company recognises the importance of communicating with its shareholders and does this through the annual report, Annual General Meetings (AGM) and Extraordinary General Meetings. The policy of the Company is to maintain an active dialogue with its shareholders with the intention of giving shareholders as clear and complete a picture of the Company's performance and position as possible. It has also been the Company's practice to send the Notice of the AGM and related papers to shareholders at least twenty-one (21) working days before the meeting. At the AGM, the shareholders are encouraged to ask questions both about the resolutions being proposed or about the Group's operations in general.

In addition, the Company makes various announcements through the Bursa Securities, in particular the timely release of the quarterly results within two months from the close of a particular quarter. Copies of the full announcement are supplied to the shareholders and members of public upon request. Members of the public can also obtain the full financial results and the Company's announcement from the Bursa Securities's website or the Company's website.

D Accountability and audit

Financial reporting
The Board aims to provide and present a balanced and meaningful assessment of the Group's financial performance and prospects at the end of the financial year, primarily through the annual financial statements, quarterly announcement of the results to shareholders as well as the Chairman's statement and review of the operations in the annual report. The Board is assisted by the Audit Committee to oversee the Group's financial reporting processes and the quality of its financial reporting.

State of internal controls
The Directors recognize their ultimate responsibility for the Group's system of internal controls and the need to review its effectiveness regularly in order to safeguard the Group's assets and therefore shareholders' investments in the Group. This system, by its nature, can only provide reasonable but not absolute assurance against misstatement, fraud or loss.

At this juncture, the Board is of the view that the current system of internal control in place throughout the Group is sufficient to safeguard the Group's interest.

Relationship with the Auditors
Key features underlying the relationship of the Audit Committee with the external auditors are included in the Audit Committee's terms of reference as detailed on pages 17 to 18 of the annual report.

A summary of the activities of the Audit Committee during the year are set out in the Audit Committee Report on page 18 of the annual report.

E Other information

Directors' responsibility statements in respect of the preparation of the audited financial statements

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and of their results and cash flows for the year then ended. In preparing the financial statements, the Directors have ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been applied.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgments and estimates. The Directors also have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

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 Shutters Corporation Berhad.

Contract relating to loans
There were no contracts relating to loans by the Company in respect of the abovesaid item.

Non-audit fees
During the year, a total of RM 25,410.00 was paid to KPMG for non-audit services rendered.

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
There was no significant variance between the results for the financial year and the unaudited results previously announced. 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.

Compliance statement
Save as disclosed below, the Group has substantially complied with the Best Practices of the Code throughout the year:

(a) Appointment of a senior Independent Non-Executive Director to whom concerns may be conveyed has not been made given the strong and independent element on the Board;

(b) The roles of the Chairman and the Group Chief Executive Officer are not separate as the Board is of the opinion that the check and balance of power is undertaken by the strong presence of Independent Non-Executive Directors who form 37.5% in number of the Directors. Moreover, it is the practice of the Chairman to encourage participation by all the Directors in the deliberation of issues that concern the Group. Although there is no formal schedule on matters specifically reserved to the Board for decision, it is the practice for the whole Board to deliberate on all significant matters that affect the Group, such matters being those that concern capital expenditure, announcements to the Bursa Securities and policy issues;

(c) The Board has not developed position descriptions for the Board and the Chief Executive Officer. The Board recognises the importance for a proper identification of the roles and authorisation limits of management and will consider adopting a Board Charter to delineate the roles and responsibilities of Executive and Non-Executive Directors;

(d) A Nominating Committee has yet to be formed as currently the Board itself functions as a Nominating Committee in identifying and nominating candidates to the Board. There was no review done on the present members of the Board of Directors as the mix of experience and expertise of the current number of Directors are considered sufficient and optimum in addressing the issues affecting the Group. The Company Secretaries will ensure that all appointments are properly made, that all information necessary is obtained, as well as all legal and regulatory obligations are met;

A Remuneration Committee has yet to be established. The remuneration of Directors comes under the purview of the entire Board with the relevant Directors abstaining from discussion.

(e) The Board, through the Audit Committee, has been able to identify business risks and ensure the implementation of appropriate measures to manage these risks. However, the Board is of the view that a more structured risk management process would need to be established to better identify, monitor and manage the business risks affecting the Group in the future.

The close involvement of the Executive Directors in the daily operations of the Group and the contribution by the Audit Committee have enabled the Board to be aware of the state of internal control system within the Group. Furthermore, the Audit Committee has outsourced an independent consulting firm to carry out the internal audit function.

The Statement on Internal Control furnished on pages 14 and 15 of this Annual Report provides an overview of the state of internal controls within the Group.

Corporate Social Responsibility

Community

As a responsible and caring corporate citizen, the Group strives for the betterment of society by giving back to the community and environment it operates in, through social welfare and community development. During the year, the Group has made contributions to the following organizations: Persatuan Perayaan Pho Tho Taman Sentosa Klang, Persatuan Pengikut Dewa Tien Yin, The World Federation of Acupunture-Moxibustion Societies Traditional Chinese Medicine Convention and Taiwan Sheng Yao Gong Temple.

Environment

Employees are encouraged to fully maximize the benefits of electronic environment (eg email, instant messaging and etc.) for communication and only print hard copy when necessary. Employees are also encouraged to print on both sides of paper to minimize paper usage.

Workplace

The Group provides its employees a quality work environment which complies with the health and safety standard as we understand a good environment would raise the efficiency and productivity of employees besides improving the quality of life of our employees.

Trainings

In-house and external training are provided to employees to enhance their skills and abilities which would offer excellent opportunities for career enhancement.

In addition, staff benefits such as Annual Dinner, health insurance and medical care are provided to employees.

Introduction

Paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad requires the Board of Directors of public listed companies to include in its annual report a “statement about the state of internal control of the listed issuer as a group”. The Board is committed to maintaining a sound system of internal control in the Group and is pleased to provide the following statement which outlines the nature and scope of internal control of the Group during the year.

Board Responsibility

The Board acknowledges its responsibility for the Group’s system of internal control which includes the establishment of an appropriate control environment and framework as well as reviewing its adequacy and integrity.

The Board recognises the need to have a formal ongoing process for identifying, evaluating and managing the significant risks faced by the Group. The Board also recognizes that a good control system will assist the achievement of corporate objectives. However, in view of the limitations inherent in any system of internal control, the system is designed to manage, rather than eliminate, the risk of failure to achieve corporate objectives. Accordingly, it can only provide reasonable but not absolute assurance against material misstatement or loss.

In its effort to ensure the adequacy and integrity of the system of internal control of the Group, the Board had implemented relevant procedures and processes to obtain a certain degree of assurance as to the operation and validity of the system of internal control in the Group.

Control Procedures

The Internal Audit function is provided by an independent outsourced Internal Auditor engaged by the Group based on the plan approved by the Audit Committee to undertake regular and systemic review of the internal controls. Recommendations of corrective measures on risks identified and improvements on the adequacy, effectiveness and efficiency of the internal control system, if any, are included in the audit reports for implementation by the Management.

To ensure that the Group has a system of internal control, the Board has put in place the following processes throughout the financial year ended 30 June 2012.

i) Meetings

Meetings are held at respective business unit levels to identify and resolve business and operational issues. During such meetings, financial statistics and operation issues are presented and discussed openly by all present. The meeting serves as an excellent platform whereby the Group’s goals and objectives are communicated and potential risk areas are identified, evaluated and duly managed.

Issues discussed during the meeting, among others, include :-

- daily highlights on potential bad debts and debtor’s collection status
- production output and status on outstanding sales orders;
- continuous improvement inventory management;
- new project and potential project updates and implementation;
- matters relating to operating systems; and
- employee safety and health improvement.

ii) Organizational Structure

The Group operates within an organizational structure that lays down defined delegation of responsibility and authority.

iii) Operating Environment

The Executive Directors are actively involved in day to day operation of the Group. The performance of the Group is constantly evaluated and monitored through their regular attendance at meetings held at various levels. Processes and controls of the Group's operations are closely monitored by the Executive Directors.

Significant changes in the business and external environment which affects the operations of the Group at large are discussed during Board meetings. The Group Financial Controller provides the Board with quarterly financial information, including pertinent explanations on the performance of the Group.

There were no material losses incurred during the current financial year as a result of weaknesses in internal control. The Management continues to review and implement measures to strengthen the control environment of the Group.

This statement is issued in accordance with a resolution of the Directors dated 28 September 2012.

1. Formation

The Audit Committee was established on 12 February 2001.

2. Membership

The members of the Committee during the financial year ended 30 June 2012 are as follows :-

- You Tong Lioung @ Yew Tong Leong - Chairman, Independent Non-Executive Director
- Lai Lan Man @ Lai Shuk Mee - Member, Independent Non-Executive Director
- Mohd Arif Bin Mastol - Member, Independent Non-Executive Director

The Committee shall be appointed by the Board from amongst its members which fulfils the following requirements :

- The Committee must be composed of no fewer than three (3) members and all must be non-executive directors, with a majority being independent Directors;

- At least one member of the Committee must be a member of the Malaysian Institute of Accountants (MIA);

- If the member is not a member of the MIA, the member must have at least 3 years' working experience and;
    - have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
    - be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accounts Act 1967.

If a member of the Committee resigns, dies, or for any reason ceases to be a member which resulting the number of members reduced to below three (3), the Board shall within three (3) months of the event appoint such number of new members as may be required to fill the vacancy.

No alternate director can be appointed as a member of the Committee.

Quorum shall be the majority of members present, who are independent directors.

3. Chairman of Audit Committee

The Chairman of the Committee shall be an Independent Non-Executive Director.

In the absence of the Chairman, the members of the Committee shall elect a Chairman from among their number who shall be an Independent Non-Executive Director.

4. Attendance at Meetings

The committee met on four(4) occasions during the financial year ended 30 June 2012. The agenda, together with working papers, was circulated at least one week prior to each meeting to the members of the Committee. Details of the attendance of members during the financial year are as follows: -

Members	Number of meetings held during members' tenure in office	No. of meeting attended by members
You Tong Lioung @ Yew Tong Leong	4	3
Lai Lan Man @ Lai Shuk Mee	4	3
Mohd. Arif Bin Mastol	4	3

The Assistant Accountant and external auditors may appear at any meeting at the invitation of the Committee and shall appear before the Committee when required to do so. The external auditors may request a meeting if they consider that one is necessary.

The Secretary shall circulate the minutes of Committee meetings to all members of the Board.

5. Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

The Committee is authorised by the Board to obtain legal or other independent professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

6. Terms of Reference

The Committee believes its policies and procedures should remain flexible in order to best react to changing conditions and provide reasonable assurance to the Board that the accounting and reporting practises of the Group are in accordance with the requirements.

The Committee will fulfil its duties and responsibilities as follows :-

- review the following and report to the Board of Directors :-
  - with the external auditors, the audit scope and plan, including any changes to the planned scope of the audit plan;
  - with the external auditors, their evaluation of the system of internal controls, major audit findings and the management's response during the year;
  - with the external auditors, their audit report to ensure that appropriate and prompt remedial action is taken by management, for major deficiencies in controls or procedures that have been identified;
  - the assistance and cooperation given by the employees of the Group to the external auditors, and any difficulties encountered in the course of audit function, including any restriction on the scope of activities or access to required information.

- to do the following in respect of the internal audit function :-
  - review the adequacy of the scope and functions of the internal auditors, and that it has the necessary authority to carry out its work;
  - review the internal audit programme and results of the internal audit process and, where necessary, ensure that appropriate action is taken on the recommendations of the internal auditors;
  - review the performance of internal auditors; and
  - approve any appointment or termination of internal auditors.

- review the quarterly results and year-end financial statements, prior to the approval by the Board of Directors, focusing particularly on :-
  - changes in or implementation of major accounting policy changes;
  - significant and unusual events;
  - the going concern assumption; and
  - compliance with accounting standards and other legislative and reporting requirements.

- review any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.

- review the appointment and performance of the external auditors, the audit fee and any questions of resignation or dismissal before making recommendations to the Board.

- to consider the major findings of internal investigations and management response.

- to carry out such other functions as may be agreed to by the Committee and Board of Directors.

6. Terms of Reference (cont'd)

In performing its function, the Committee :

(i) has full access to and cooperation by the management and has full discretion to invite any Director and Executive Director to attend its meeting;

(ii) has been given reasonable resources to enable it to discharge its functions properly;

(iii) communicates directly or convene meetings with external auditors, at least once a year without the presence of executive board members; and

(iv) is authorised to obtain professional advice at the cost of the Company.

7. Activities

During the year, the activities undertaken by the Committee include :-

- Reviewed of the quarterly financial reports before recommending to the Board for their approval and release to Bursa Malaysia Securities Berhad;
- Reviewed the audited financial statements of the Company and the Group with the External Auditors prior to submission to the Board of Directors for their approval;
- Reviewed of the Audit Planning Memorandum with the External Auditors;
- Reviewed of the results and issues arising from the audit and their resolutions with the External Auditors;
- Reviewed Internal Auditors' risk and audit methodologies in assessing and rating risks of auditable areas and ensure that all high and critical risk areas are audited;
- Reviewed the appointment of the internal auditors; and
- Reviewed related party transactions and conflict of interest that may arise within the Company or the Group.

8. Internal Audit Function

The Company has outsourced its internal audit function to an independent internal audit services provider for the financial year ended 30 June 2012. The Internal Audit function is to assist the Board and the Audit Committee to undertake regular and systematic reviews of the system of internal control, risk management and corporate governance and to provice their recommendation to the Board and the management for further improvement, in order to provide reasonable assurance that such systems continue to operate satisfactorily and effectively.

The Internal Auditors independently reviews the risk identification practices and control processes implemented by the management and reports to the Audit Committee. The results of the reviews performed by the Internal Auditors were communicated to both management and the Committee together with the implementation status of audit recommendations. Further details on the internal audit function are reported in the Statement of Internal control on pages 14 and 15 of this Annual Report.

The total costs incurred for the internal audit function of the Group for the financial year was RM31,800.00.

Directors' Report

for the year ended 30 June 2012

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 30 June 2012.

Principal activities

The Company is an investment holding company.

The principal activities of its subsidiaries are set out in Note 6 to the financial statements.

There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM	Company RM
Profit/(Loss) for the year attributable to owners of the Company	1,318,657	(68,654)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review.

Dividends

No dividend was paid since the end of the previous financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

Directors of the Company

Directors who served since the date of the last report are :

Sin Kheng Lee - Chairman and Managing Director
Dato' Moehamad Izat bin Achmad Habechi Emir
Sin Ching San
Chou Lee Sin
Sin Siew Huey
You Tong Lioung @ Yew Tong Leong
Lai Lan Man @ Lai Shuk Mee
Mohd. Arif Bin Mastol

Directors' interests in shares

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at 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 of RM1 each			
	Balance at 1.7.2011	Bought	(Sold)	Balance at 30.6.2012
Direct interest				
The Company				
Sin Kheng Lee - own	1,310,000	700,000	-	2,010,000
Sin Ching San - own	10,000	-	-	10,000
- others *	10,000	-	-	10,000
Dato' Moehamad Izat bin Achmad Habechi Emir - own	3,306,597	12,000	-	3,318,597
Chou Lee Sin - own	10,000	-	-	10,000
Lai Lan Man @ Lai Shuk Mee - own	15,000	-	-	15,000
You Tong Lioung @ Yew Tong Leong - own	10,000	-	-	10,000
Holding company				
- SKB Glory Sdn. Bhd.				
Sin Kheng Lee - own	971,250	-	-	971,250
Sin Ching San - own	416,250	-	-	416,250
Deemed interest				
The Company				
Sin Kheng Lee - own	22,847,607	-	-	22,847,607
Sin Ching San - own	22,847,607	-	-	22,847,607
Holding company				
- SKB Glory Sdn. Bhd.				
Sin Kheng Lee - own	112,500	-	-	112,500

* Shares held in the name of the spouse are treated as the interests of the Director in accordance with Section 134(12)(c) of the Companies Act, 1965.

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

None of the other Directors holding office at 30 June 2012 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

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 a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements of the Company or of its related corporations) 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, other than as disclosed in Note 22 to the financial statements.

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 authorised, issued and paid-up capital of the Company and no debentures were in issue 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.

Other statutory information

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

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

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

i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or

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

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

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

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

Other statutory information (cont'd)

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 2012 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, Messrs KPMG, have indicated their willingness to accept re-appointment.

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

Sin Kheng Lee

Sin Ching San

Penang,

Date : 28 September 2012

Consolidated Statement of Financial Position

as at 30 June 2012

	Note	2012 RM	2011 RM
Assets			
Property, plant and equipment	3	43,203,959	45,978,103
Investment properties	4	1,467,823	1,780,110
Prepaid lease payments	5	7,577,156	7,974,212
Investment in an associate	7	1,459,645	1,169,798
Total non-current assets		53,708,583	56,902,223
Inventories	8	32,802,270	36,949,074
Trade and other receivables	9	21,094,008	17,002,753
Current tax assets		382,896	230,897
Cash and cash equivalents	10	4,610,330	5,034,318
Total current assets		58,889,504	59,217,042
Total assets		112,598,087	116,119,265
Equity			
Share capital	11	40,000,000	40,000,000
Reserves	12	37,380,858	36,062,201
Total equity attributable to owners of the Company		77,380,858	76,062,201
Liabilities			
Loans and borrowings	13	3,721,966	8,372,364
Deferred tax liabilities	14	4,902,249	5,133,210
Total non-current liabilities		8,624,215	13,505,574
Loans and borrowings	13	16,753,980	15,532,959
Trade and other payables	15	9,773,224	10,888,487
Current tax liabilities		65,810	130,044
Total current liabilities		26,593,014	26,551,490
Total liabilities		35,217,229	40,057,064
Total equity and liabilities		112,598,087	116,119,265

The notes on pages 32 to 70 are an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2012

	Note	2012 RM	2011 RM
Continuing operations			
Revenue	16	62,060,774	51,740,212
Cost of sales		(47,168,306)	(37,556,148)
Gross profit		14,892,468	14,184,064
Other operating income		1,087,262	1,039,337
Distribution expenses		(1,144,974)	(1,035,315)
Administrative expenses		(11,372,357)	(10,048,371)
Other operating expenses		(1,300,952)	(1,679,729)
Results from operating activities		2,161,447	2,459,986
Finance income		85,798	107,657
Finance costs	17	(1,087,983)	(1,168,653)
Operating profit	18	1,159,262	1,398,990
Share of profit of equity accounted associate, net of tax		509,847	445,128
Profit before tax		1,669,109	1,844,118
Income tax expense	20	(350,452)	(833,599)
Profit for the year		1,318,657	1,010,519
Other comprehensive income, net of tax			
Revaluation of property, plant and equipment		-	5,783,603
Total comprehensive income for the year		1,318,657	6,794,122
Profit for the year attributable to owners of the Company		1,318,657	1,010,519
Total comprehensive income for the year attributable to owners of the Company		1,318,657	6,794,122
Earnings per ordinary share (sen)	21	3.30	2.53

The notes on pages 32 to 70 are an integral part of these financial statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2012

	← Non-distributable			→	Distributable	
	Share capital RM	**Share premium RM**	**Revaluation reserve RM**	**Capital redemption reserve RM**	**Retained earnings RM**	**Total equity RM**
At 1 July 2010	40,000,000	1,498,324	2,420,078	30,000	25,319,677	69,268,079
Revaluation of property, plant and equipment (net) representing other comprehensive income for the year	-	-	5,783,603	-	-	5,783,603
Profit for the year	-	-	-	-	1,010,519	1,010,519
Total comprehensive income for the year	-	-	5,783,603	-	1,010,519	6,794,122
At 30 June 2011/1 July 2011	40,000,000	1,498,324	8,203,681	30,000	26,330,196	76,062,201
Profit for the year representing total comprehensive income for the year	-	-	-	-	1,318,657	1,318,657
At 30 June 2012	40,000,000	1,498,324	8,203,681	30,000	27,648,853	77,380,858
	Note 11	←	Note 12		→	

The notes on pages 32 to 70 are an integral part of these financial statements.

Consolidated Statement of Cash Flows

for the year ended 30 June 2012

	Note	2012 RM	2011 RM
Cash flows from operating activities			
Profit before tax from continuing operations		1,669,109	1,844,118
Adjustments for :			
Depreciation of property, plant and equipment	3	5,220,039	5,064,235
Depreciation of investment properties	4	9,936	12,468
Amortisation of prepaid lease payments	5	397,056	397,056
(Gain)/Loss on disposal of plant and equipment	18	(94)	4,800
Loss on strike-off of a subsidiary	18	-	100
Interest income	18	(85,798)	(107,657)
Share of profit after tax of an equity accounted associate		(509,847)	(445,128)
Interest expense	17	1,087,983	1,168,653
Plant and equipment written off	18	-	2,477
Gain on disposal of investment properties	18	(90,524)	-
Impairment loss on plant and equipment	18	272,180	-
Impairment loss on investment properties	18	132,875	-
Operating profit before changes in working capital		8,102,915	7,941,122
Changes in working capital :			
Inventories		4,146,804	(4,643,705)
Trade and other receivables		(4,091,255)	466,885
Trade and other payables		(1,115,263)	(733,763)
Cash generated from operations		7,043,201	3,030,539
Income tax paid		(797,646)	(379,732)
Dividend received from an associate		220,000	875,000
Net cash from operating activities		6,465,555	3,525,807

for the year ended 30 June 2012

	Note	2012 RM	2011 RM
Cash flows from investing activities			
Purchase of plant and equipment	A	(691,694)	(277,356)
Proceeds from disposal of investment properties		260,000	-
Proceeds from disposal of plant and equipment		96	15,000
Interest received		85,798	107,657
Net cash used in investing activities		(345,800)	(154,699)
Cash flows from financing activities			
Repayment of term loans		(4,449,909)	(4,288,511)
Repayment of finance lease liabilities		(1,971,558)	(1,574,197)
(Repayment)/Drawdown of borrowings, net		(53,056)	905,429
Interest paid		(1,087,983)	(1,168,653)
Net cash used in financing activities		(7,562,506)	(6,125,932)
Net decrease in cash and cash equivalents		(1,442,751)	(2,754,824)
Cash and cash equivalents at 1 July		3,953,398	6,708,222
Cash and cash equivalents at 30 June	B	2,510,647	3,953,398

NOTES

A. *Purchase of plant and equipment*

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

	Note	2012 RM	2011 RM
Purchase of plant and equipment	3	2,718,077	2,200,708
Less : Acquired through finance leases		(2,026,383)	(1,923,352)
		691,694	277,356

B. *Cash and cash equivalents*

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

	Note	2012 RM	2011 RM
Short term deposits with licensed banks	10	2,266,289	3,210,180
Cash and bank balances	10	2,344,041	1,824,138
Bank overdrafts	13	(2,099,683)	(1,080,920)
		2,510,647	3,953,398

The notes on pages 32 to 70 are an integral part of these financial statements.

Statement of Financial Position

as at 30 June 2012

	Note	2012 RM	2011 RM
Assets			
Investment in subsidiaries	6	17,814,745	17,814,745
Investment in an associate	7	347,961	347,961
Total non-current assets		18,162,706	18,162,706
Other receivables	9	22,094,614	21,175,389
Current tax assets		70,300	70,914
Cash and cash equivalents	10	2,285,138	3,272,641
Total current assets		24,450,052	24,518,944
Total assets		42,612,758	42,681,650
Equity			
Share capital	11	40,000,000	40,000,000
Reserves	12	2,424,618	2,493,272
Total equity attributable to owners of the Company		42,424,618	42,493,272
Liability			
Other payables	15	188,140	188,378
Total current liability		188,140	188,378
Total equity and liability		42,612,758	42,681,650

The notes on pages 32 to 70 are an integral part of these financial statements.

Statement of Comprehensive Income

for the year ended 30 June 2012

	Note	2012 RM	2011 RM
Continuing operations			
Revenue	16	220,000	875,000
Other operating income		80,109	105,636
Administrative expenses		(361,952)	(283,130)
Other operating expenses		-	(10,788)
(Loss)/Profit before tax	18	(61,843)	686,718
Income tax expense	20	(6,811)	35,087
(Loss)/Profit for the year representing total comprehensive (expense)/ income for the year attributable to owners of the Company		(68,654)	721,805

The notes on pages 32 to 70 are an integral part of these financial statements.

Statement of Changes in Equity

for the year ended 30 June 2012

		Non-distributable	*Distributable*	
	Share capital RM	**Share premium RM**	**Retained earnings RM**	**Total equity RM**
At 1 July 2010	40,000,000	1,498,324	273,143	41,771,467
Profit for the year representing total comprehensive income for the year	-	-	721,805	721,805
At 30 June 2011/1 July 2011	40,000,000	1,498,324	994,948	42,493,272
Loss for the year representing total comprehensive expense for the year	-	-	(68,654)	(68,654)
At 30 June 2012	40,000,000	1,498,324	926,294	42,424,618
	Note 11	←Note 12	→	

The notes on pages 32 to 70 are an integral part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2012

	Note	2012 RM	2011 RM
Cash flows from operating activities			
(Loss)/Profit before tax from continuing operations		(61,843)	686,718
Adjustments for :			
Dividend income	16	(220,000)	(875,000)
Interest income	18	(56,109)	(81,636)
Loss on strike-off of a subsidiary	18	-	51
Operating loss before changes in working capital		(337,952)	(269,867)
Changes in working capital :			
Other receivables		(919,225)	(1,590,684)
Other payables		(238)	(13,937)
Cash used in operations		(1,257,415)	(1,874,488)
Income tax paid		(6,197)	(4,428)
Dividend received		220,000	875,000
Net cash used in operating activities		(1,043,612)	(1,003,916)
Cash flows from investing activity			
Interest received		56,109	81,636
Net cash from investing activity		56,109	81,636
Net decrease in cash and cash equivalents		(987,503)	(922,280)
Cash and cash equivalents at 1 July		3,272,641	4,194,921
Cash and cash equivalents at 30 June		2,285,138	3,272,641

NOTE

Cash and cash equivalents included in the statement of cash flows comprise cash and cash equivalents balances as shown in Note 10 to the financial statements.

The notes on pages 32 to 70 are an integral part of these 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 addresses of its registered office and principal place of business are as follows :

Registered office

Suite 2-1, 2nd Floor
Menara Penang Garden
42A, Jalan Sultan Ahmad Shah
10050 Penang

Principal place of business

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 year ended 30 June 2012 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred as “Group entities”) and the Group’s interest in an associate. The financial statements of the Company as at and for the year ended 30 June 2012 do not include other entities.

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

The holding company is SKB Glory Sdn. Bhd., a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors on 28 September 2012.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards (FRSs), generally accepted accounting principles and the Companies Act, 1965 in Malaysia.

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

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2012

- FRS 124, Related Party Disclosures (revised)
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures - Transfers of Financial Assets
- Amendments to FRS 112, Income Taxes - Deferred Tax: Recovery of Underlying Assets

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2012

- Amendments to FRS 101, Presentation of Financial Statements - Presentation of Items of Other Comprehensive Income

1. Basis of preparation (cont'd)

(a) Statement of compliance (cont'd)

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2013

- FRS 10, Consolidated Financial Statements
- FRS 11, Joint Arrangements
- FRS 12, Disclosure of Interests in Other Entities
- FRS 13, Fair Value Measurement
- FRS 119, Employee Benefits (2011)
- FRS 127, Separate Financial Statements (2011)
- FRS 128, Investments in Associates and Joint Ventures (2011)
- IC Interpretation 20, Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 7, Financial Instruments : Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards - Government Loans

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2014

- Amendments to FRS 132, Financial Instruments : Presentation - Offsetting Financial Assets and Financial Liabilities

FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2015

- FRS 9, Financial Instruments (2009)
- FRS 9, Financial Instruments (2010)
- Amendments to FRS 7, Financial Instruments : Disclosures - Mandatory Date of FRS 9 and Transition Disclosures

The Group's and the Company's financial statements for annual period beginning on 1 July 2012 will be prepared in accordance with the Malaysian Financial Reporting Standards (MFRSs) issued by the MASB and International Financial Reporting Standards (IFRSs). As a result, the Group and the Company will not be adopting the above FRSs, Interpretations and amendments.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in the financial statements.

(c) Functional and presentation currency

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 FRSs 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.

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by the Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including unincorporated entities, controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses held for sale or distribution. The cost of investments includes transaction costs.

The accounting policies of subsidiaries are changed when necessary to align them with the policies adopted by the Group from the acquisition date, which is the date on which control is transferred to the Group.

(ii) Accounting for business combinations

Business combinations are accounted for using the acquisition method except for SKB Shutters Manufacturing Sdn. Bhd. and SKB Trading Sdn. Bhd. which the acquisition are accounted for using the merger method of accounting principles in accordance with FRS 3, Business Combinations.

The Group has changed its accounting policy with respect to accounting for business combinations.

From 1 July 2011 the Group has applied FRS 3, Business Combinations (revised) in accounting for business combinations. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share.

Acquisitions on or after 1 July 2011

For acquisitions on or after 1 July 2011, the Group measures goodwill at the acquisition date as :

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

2. Significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

(ii) Accounting for business combinations (cont'd)

Acquisitions between 1 July 2006 and 1 July 2011

For acquisitions between 1 July 2006 and 1 July 2011, goodwill represents the excess of the cost of the acquisition over the Group's interest in the recognised amount (generally fair value) of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess was negative, a bargain purchase gain was recognised immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition.

Acquisitions prior to 1 July 2006

For acquisitions prior to 1 July 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

(iii) Loss of control

The Group applied FRS 127, *Consolidated and Separate Financial Statements* (revised) since the beginning of the reporting period in accordance with the transitional provisions provided by the standard and does not have impact on earnings per share. Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

In the previous financial years, if the Group retained any interest in the previous subsidiary, such interest was measured at the carrying amount at the date that control was lost and this carrying amount would be regarded as cost on initial measurement of the investment.

(iv) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investment in an associate is accounted for in the consolidated financial statements using the equity method less any impairment losses. The cost of investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity accounted associate, after adjustments, if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Investment in an associate is measured in the Company's statement of financial position at cost less any impairment losses. The cost of investments includes transaction costs.

2. Significant accounting policies (cont'd)

(a) Basis of consolidation (cont'd)

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted associate are eliminated against the investment to the extent of the Group's interest in the associate. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting period are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Foreign currency differences arising on retranslation are recognised in profit or loss.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations in functional currencies other than RM, including fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of reporting date, except for goodwill and fair value adjustments arising from business combinations before 1 July 2011 which are treated as assets and liabilities of the Company. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve (FCTR) in equity. When the foreign operation is disposed of, such that control, significant influence or joint control is lost, the cumulative amount in the FCTR is transferred to profit or loss as part of the profit or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the FTRC in equity.

2. Significant accounting policies (cont'd)

(c) Financial instruments

(i) Initial recognition and measurement

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

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognised separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risks of the host contract and the host contract is not categorised at fair value through profit or loss. The host contract, in the event an embedded derivative is recognised separately, is accounted for in accordance with policy applicable to the nature of the host contract.

(ii) Financial instrument categories and subsequent measurement

The Group and the Company categorise financial instruments as follows :

Financial assets

(a) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are derivatives (except for a derivative that is a financial guarantee contract) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Loans and receivables

Loans and receivables category comprises debt instruments that are not quoted in an active market.

Financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest method.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment (see Note 2(j)(i)).

Financial liabilities

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract) or financial liabilities that are specifically designated into this category upon initial recognition.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

2. Significant accounting policies (cont'd)

(c) Financial instruments (cont'd)

(iii) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantee contracts are classified as deferred income and are amortised to profit or loss using a straight-line method over the contractual period or, when there is no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract becomes probable, an estimate of the obligation is made. If the carrying value of the financial guarantee contract is lower than the obligation, the carrying value is adjusted to the obligation amount and accounted for as a provision.

(iv) Regular way purchase or sale of financial assets

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date accounting. Trade date accounting refers to :

(a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
(b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(d) Property, plant and equipment

(i) Recognition and measurement

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

The Group revalues its buildings every 5 years and at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying value.

Surpluses arising from revaluation are dealt with in the property revaluation reserve account. Any deficit arising is offset against the revaluation reserve to the extent of a previous increase for the same property. In all other cases, a decrease in carrying amount is charged to profit or loss.

2. Significant accounting policies (cont'd)

(d) Property, plant and equipment (cont'd)

(i) Recognition and measurement (cont'd)

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets includes the cost of materials and direct labour. For qualifying assets, borrowings costs are capitalised in accordance with the accounting policy on borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between knowledgeable willing parties in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items when available and replacement cost when appropriate.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other operating income" or "other operating expenses" respectively in profit or loss.

(ii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Capital work-in-progress are not depreciated until the assets are ready for their intended use.

The depreciation rates for the current and comparative periods are as follows :

Buildings	2% - 4.74%
Plant and machinery	10% - 20%
Furniture, fittings, fixtures and equipment	20%
Motor vehicles	20%

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting period, and adjusted as appropriate.

2. Significant accounting policies (cont'd)

(e) Leased assets (cont'd)

(i) Finance lease

Leases in terms of which the Group or the Company assume substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Leasehold land which in substance is a finance lease is classified as property, plant and equipment.

(ii) Operating lease

Leases, where the Group or the Company does not assume substantially all the risks and rewards of the ownership are classified as operating leases and, except for property interest held under operating lease, the leased assets are not recognised on the statements of financial position. Property interest held under an operating lease, which is held to earn rental income or for capital appreciation or both, is classified as investment property.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease. Contingent rentals are charged to profit or loss in the reporting period in which they are incurred.

Leasehold land which in substance is operating lease is classified as prepaid lease payments.

(f) Equity instruments

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

Issues expenses

Cost directly attributable to issue of instruments classified as equity are recognised as a deduction from equity.

(g) Investment properties

Investment properties carried at cost

Investment properties are properties which are owned to earn rental income or for capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for administrative purpose. Properties that are occupied by the companies in the Group are accounted for as owner-occupied rather than as investment properties.

Investment properties are stated at cost less any accumulated depreciation and any accumulated impairment losses, consistent with accounting policy for property, plant and equipment as stated in accounting policy Note 2(d).

2. Significant accounting policies (cont'd)

(g) Investment properties (cont'd)

Investment properties carried at cost (cont'd)

Freehold land is not depreciated. Depreciation on buildings is charged to profit or loss on a straight-line basis over the estimated useful lives at annual rates which ranges from 2% to 5%.

The fair values are based on market values, being the estimated amount for which a property could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value.

The cost of inventories is measured based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of work-in-progress and manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs of completion and the estimated costs necessary to make the sale.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value with original maturities of three months or less. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits, if any.

(j) Impairment

(i) Financial assets

All financial assets (except for investments in subsidiaries and associate) are assessed at each reporting date whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised. For equity instrument, a significant or prolonged decline in the fair value below its cost is an objective evidence of impairment.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account.

(ii) Other assets

The carrying amounts of other assets (except for inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets (known as cash-generating unit). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating or a group of cash-generating units that are expected to benefit from the synergies of the combination.

2. Significant accounting policies (cont'd)

(j) Impairment (cont'd)

(ii) Other assets (cont'd)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit or the group of cash-generating units and then to reduce the carrying amounts of the other assets in the cash-generating unit (or a groups of cash-generating units) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognised.

(k) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

(l) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

2. Significant accounting policies (cont'd)

(l) Employee benefits (cont'd)

(ii) State plans

The Group's contributions to statutory pension funds are charged to profit or loss in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(n) Revenue and other income

(i) Goods sold

Revenue from the sale of goods in the course of ordinary activities is measured at fair value of the consideration received or receivable, net of returns and allowances, trade discount and volume rebates. Revenue is recognised when persuasive evidence exists, usually in the form of an executed sales agreement, that the significant risks and rewards of ownership have been transferred to the customer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management involvement with the goods, and the amount of revenue can be measured reliably. If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) Services

Revenue from services rendered is recognised in profit or loss upon services performed.

(iii) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

(iv) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(v) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

2. Significant accounting policies (cont'd)

(o) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates a business combination or to items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill and the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

A tax incentive that is not a tax base of an asset is recognised as a reduction of tax expense in profit or loss as and when it is granted and claimed. Any unutilised portion of the tax incentive is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentive can be utilised.

(p) Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares (EPS).

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

(q) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. An operating segment's operating results are reviewed regularly by the chief operating decision maker, which in this case is the Executive Chairman and Managing Director of the Group, to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

As the Group is principally confined to the manufacture and sale of roller shutters, racking systems and related steel products which are principally carried out in Malaysia and accordingly, the information by operating segments on the Group's operations as required by FRS 8 is not presented.

2. Significant accounting policies (cont'd)

(r) Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development. Other development expenditure is recognised in profit or loss as an expense as incurred.

3. Property, plant and equipment - Group

	At valuation Buildings RM	← At cost Plant and machinery RM	Furniture, fittings, fixtures and equipment RM	Motor vehicles RM	Capital work-in-progress RM →	Total RM
Valuation/Cost						
At 1 July 2010	31,563,000	34,221,074	10,084,672	5,416,726	281,372	81,566,844
Additions	-	373,000	245,777	1,581,931	-	2,200,708
Disposals	-	(72,000)	-	-	-	(72,000)
Reclassification	-	281,372	-	-	(281,372)	-
Revaluation	1,439,000	-	-	-	-	1,439,000
Write-off	-	-	-	(2,909)	-	(2,909)
At 30 June 2011/1 July 2011	33,002,000	34,803,446	10,330,449	6,995,748	-	85,131,643
Additions	-	1,680,383	657,694	380,000	-	2,718,077
Disposals	-	-	(10,920)	-	-	(10,920)
At 30 June 2012	33,002,000	36,483,829	10,977,223	7,375,748	-	87,838,800
Depreciation and impairment loss						
At 1 July 2010	5,018,122	25,284,579	6,816,849	3,294,857	-	40,414,407
Depreciation for the year	1,254,348	2,158,218	756,516	895,153	-	5,064,235
Disposals	-	(52,200)	-	-	-	(52,200)
Revaluation	(6,272,470)	-	-	-	-	(6,272,470)
Write-off	-	-	-	(432)	-	(432)
At 30 June 2011/1 July 2011	-	27,390,597	7,573,365	4,189,578	-	39,153,540
Depreciation for the year	1,636,980	1,737,680	827,566	1,017,813	-	5,220,039
Impairment loss	-	272,180	-	-	-	272,180
Disposals	-	-	(10,918)	-	-	(10,918)
At 30 June 2012						
Accumulated depreciation	1,636,980	29,128,277	8,390,013	5,207,391	-	44,362,661
Accumulated impairment loss	-	272,180	-	-	-	272,180
	1,636,980	29,400,457	8,390,013	5,207,391	-	44,634,841
Carrying amounts						
At 1 July 2010	26,544,878	8,936,495	3,267,823	2,121,869	281,372	41,152,437
At 30 June 2011/1 July 2011	33,002,000	7,412,849	2,757,084	2,806,170	-	45,978,103
At 30 June 2012	31,365,020	7,083,372	2,587,210	2,168,357	-	43,203,959

3. Property, plant and equipment - Group (cont'd)

3.1 Buildings under revaluation model

The buildings are shown at Directors' valuation based on professional valuations carried out by a firm of professional valuers on an open market value basis conducted in June 2011. The revaluation was effected on 30 June 2011.

Subsequent additions are shown at cost while deletions are at valuation or cost as appropriate.

Had the buildings been carried at historical cost less accumulated depreciation, the carrying amount of the buildings that would have been included in the financial statements at the end of the financial year is RM22,188,747 (2011 : RM23,348,000).

3.2 Assets under finance lease

Included in the carrying amounts of plant and machinery and motor vehicles are amounts of RM3,855,537 (2011 : RM2,810,603) and RM2,147,703 (2011 : RM2,790,957) respectively being assets acquired under finance lease.

3.3 Security

The buildings of the Group with an aggregate carrying amount of RM31,159,220 (2011 : RM32,792,000) are charged to bank as securities for term loan granted to a subsidiary (Note 13).

4. Investment properties - Group

	Note	RM
Cost		
At 1 July 2010/30 June 2011/1 July 2011		2,355,969
Disposal		(209,390)
At 30 June 2012		2,146,579
Depreciation and impairment losses		
At 1 July 2010		
- Accumulated depreciation		156,024
- Accumulated impairment losses		407,367
		563,391
Depreciation for the year	18	12,468
At 30 June 2011/1 July 2011		
- Accumulated depreciation		168,492
- Accumulated impairment losses		407,367
		575,859

4. Investment properties - Group (cont'd)

	Note	RM
Impairment loss	18	132,875
Depreciation for the year	18	9,936
Disposal		(39,914)
At 30 June 2012		
- Accumulated depreciation		138,514
- Accumulated impairment losses		540,242
		678,756
Carrying amounts		
At 1 July 2010		1,792,578
At 30 June 2011/1 July 2011		1,780,110
At 30 June 2012		1,467,823

The carrying amounts of the investment properties consist of the following :

	2012 RM	2011 RM
Freehold land	1,084,000	1,084,000
Factory building, apartments and shop office	383,823	696,110
	1,467,823	1,780,110

The fair value of the investment properties is estimated at approximately RM2.06 million (2011 : RM2.14 million) based on Directors' valuation using the latest available market information.

The following are recognised in profit or loss in respect of the investment properties :

	Note	2012 RM	2011 RM
Rental income	18	366,684	215,322
Direct operating expenses :			
- income generating investment properties		1,296	1,292
- non-income generating investment properties		1,001	1,306

5. Prepaid lease payments - Group

	Note	Unexpired period of less than 50 years RM
Cost		
At 1 July 2010/30 June 2011/30 June 2012		9,958,396
Amortisation		
At 1 July 2010		1,587,128
Amortisation for the year	18	397,056
At 30 June 2011/1 July 2011		1,984,184
Amortisation for the year	18	397,056
At 30 June 2012		2,381,240
Carrying amounts		
At 1 July 2010		8,371,268
At 30 June 2011/1 July 2011		7,974,212
At 30 June 2012		7,577,156

The prepaid lease payments comprising short term leasehold land that was previously shown at Directors' valuation based on a professional valuation carried out by a firm of professional valuers on an open market value basis conducted in June 2006. The revaluation was effected on 30 June 2006. Upon the initial adoption of FRS 117, Leases, in year 2007, the unamortised revalued amount of the short term leasehold land was retained as the surrogate carrying amount.

The title deed to the short term leasehold land is still in the process of being transferred from the relevant authorities to the subsidiary and are charged as security for term loan granted to a subsidiary (Note 13).

The option to renew the lease of the short term leasehold land for a period of another 30 years upon its expiry in July 2031 is subject to terms and conditions to be agreed upon between the subsidiary concerned and Perbadanan Kemajuan Negeri Selangor.

6. Investment in subsidiaries - Company

	2012 RM	2011 RM
Unquoted shares, at cost	17,814,745	17,814,745

6. Investment in subsidiaries - Company (cont'd)

Details of the subsidiaries are as follows :

Name of subsidiary	Effective ownership interest 2012 %	2011 %	Principal activities
SKB Shutters Manufacturing Sdn. Bhd.	100	100	Manufacture and sale of roller shutters, racking systems, storage system and related steel products
SKB Trading Sdn. Bhd.	100	100	Trading in roller shutters parts, related steel products and racking systems
SKB Shutters Industries Sdn. Bhd.	100	100	Manufacturing and providing of repair services for motor components
SKB Storage Industries Sdn. Bhd.	100	100	Manufacture and sale of roller shutters, racking systems, storage system and related steel products
SKB Shutters (S) Pte. Ltd. #	100	100	Yet to commence operations. The intended principal activity is trading of roller shutters, racking systems and storage systems

All the above subsidiaries are incorporated in Malaysia, except for SKB Shutters (S) Pte. Ltd. which is incorporated in Singapore.

Not audited by KPMG.

7. Investment in an associate

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Unquoted shares, at cost	347,961	347,961	347,961	347,961
Share of post-acquisition reserves and results	1,111,684	821,837	-	-
	1,459,645	1,169,798	347,961	347,961

Summary financial information on the associate :

	Country of incorporation	Effective ownership interest	Revenue (100%) RM	Profit for the year (100%) RM	Total assets (100%) RM	Total liabilities (100%) RM
2012						
Ryde (Malaysia) Sdn. Bhd. (formerly known as Rigida (Malaysia) Sdn. Bhd.)	Malaysia	20%	13,932,548	2,549,237	9,623,611	2,325,382
2011						
Rigida (Malaysia) Sdn. Bhd.	Malaysia	20%	11,742,639	2,225,638	8,250,787	2,401,795

8. Inventories - Group

	2012 RM	2011 RM
At cost		
Raw materials	18,554,788	19,459,416
Work-in-progress	2,635,346	5,760,124
Manufactured inventories	11,612,136	11,729,534
	32,802,270	36,949,074

9. Trade and other receivables

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Trade					
Trade receivables		19,849,841	15,445,961	-	-
Non-trade					
Amount due from subsidiaries	9.1	-	-	22,093,614	21,174,389
Other receivables	9.2	440,490	752,035	-	-
Deposits		369,540	372,982	1,000	1,000
Prepayments		434,137	431,775	-	-
		1,244,167	1,556,792	22,094,614	21,175,389
		21,094,008	17,002,753	22,094,614	21,175,389

9.1 Amount due from subsidiaries

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

9.2 Other receivables

Included herein is an amount of RM Nil (2011 : RM332,659) paid in advance to certain suppliers for the purchase of raw materials.

10. Cash and cash equivalents

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Short term deposits with licensed banks	2,266,289	3,210,180	2,266,289	3,210,180
Cash and bank balances	2,344,041	1,824,138	18,849	62,461
	4,610,330	5,034,318	2,285,138	3,272,641

11. Share capital - Group/Company

	2012		2011	
	Amount RM	Number of shares	Amount RM	Number of shares
Ordinary shares of RM1 each :				
Authorised	50,000,000	50,000,000	50,000,000	50,000,000
Issued and fully paid	40,000,000	40,000,000	40,000,000	40,000,000

12. Reserves

	Note	Group		Company	
		2012 RM	2011 RM	2012 RM	2011 RM
Distributable					
Retained earnings	12.3	27,648,853	26,330,196	926,294	994,948
Non-distributable					
Share premium		1,498,324	1,498,324	1,498,324	1,498,324
Capital redemption reserve	12.1	30,000	30,000	-	-
Revaluation reserve	12.2	8,203,681	8,203,681	-	-
		9,732,005	9,732,005	1,498,324	1,498,324
		37,380,858	36,062,201	2,424,618	2,493,272

12.1 Capital redemption reserve

Capital redemption reserve represents the amount appropriated from retained earnings in relation to a previous redemption of 500% cumulative redeemable preference shares of RM1 each in a subsidiary.

12.2 Revaluation reserve

Revaluation reserve represents surplus on revaluation of land and buildings.

12.3 Retained earnings

Subject to agreement with the Inland Revenue Board, the Company has sufficient tax exempt income to distribute all of its distributable reserves if paid out as dividends.

Movements in reserves are shown in the Statements of Changes in Equity.

13. Loans and borrowings - Group

	Note	2012 RM	2011 RM
Current			
Secured			
Term loan		4,646,345	4,453,827
Finance lease liabilities	13.1	1,822,770	1,759,974
		6,469,115	6,213,801
Unsecured			
Bank overdrafts		2,099,683	1,080,920
Bankers' acceptances		5,278,000	5,436,000
Revolving credits		2,000,000	2,000,000
Foreign currency loans		907,182	802,238
		10,284,865	9,319,158
		16,753,980	15,532,959
Non-current			
Secured			
Term loan		1,425,831	6,068,258
Finance lease liabilities	13.1	2,296,135	2,304,106
		3,721,966	8,372,364

13.1 Finance lease liabilities

Finance lease liabilities are payable as follows :

	2012			2011		
	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM	Future minimum lease payments RM	Interest RM	Present value of minimum lease payments RM
Within one year	1,997,279	174,509	1,822,770	1,934,961	174,987	1,759,974
Between one and five years	2,429,072	132,937	2,296,135	2,447,034	142,928	2,304,106
	4,426,351	307,446	4,118,905	4,381,995	317,915	4,064,080

13.2 Securities

The secured borrowings are secured by certain property, plant and equipment and leasehold land of the Group (see Note 3 and Note 5 respectively).

The finance lease liabilities are effectively secured as the rights to the assets under finance lease will revert to the finance lease creditors in the event of default.

14. Deferred tax liabilities - Group

	2012 RM	2011 RM
Property, plant and equipment		
- capital allowances	2,469,160	2,741,810
- revaluation	2,716,249	2,934,210
Provisions	(283,160)	(542,810)
	4,902,249	5,133,210

The component and movements of deferred tax liabilities during the financial year are as follows :

	At 1.7.2010 RM	Revaluation reserve RM	Recognised in profit or loss (Note 20) RM	At 30.6.2011 RM	Recognised in profit or loss (Note 20) RM	At 30.6.2012 RM
Property, plant and equipment						
- capital allowance	2,313,758	-	428,052	2,741,810	(272,650)	2,469,160
- revaluation	1,006,343	1,927,867	-	2,934,210	(45,961)	2,888,249
Provisions	-	-	(542,810)	(542,810)	87,650	(455,160)
	3,320,101	1,927,867	(114,758)	5,133,210	(230,961)	4,902,249

15. Trade and other payables

	Note	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Trade					
Trade payables		5,795,510	7,146,667	-	-
Non-trade					
Other payables	15.1	2,086,990	2,000,310	2,650	2,650
Accruals		1,890,724	1,741,510	185,490	185,728
		3,977,714	3,741,820	188,140	188,378
		9,773,224	10,888,487	188,140	188,378

15.1 Other payables

Included in other payables of the Group is an amount of RM995,092 (2011 : RM1,604,997) representing advance payments from customers.

16. Revenue

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Sales	62,060,774	51,740,212	-	-
Gross dividend from an associate	-	-	220,000	875,000
	62,060,774	51,740,212	220,000	875,000

17. Finance costs - Group

	2012 RM	2011 RM
Interest expense on :		
Foreign currency loans	22,890	40,047
Bank overdrafts	101,302	79,977
Bankers' acceptances	280,279	207,907
Revolving credit	94,105	85,916
Finance lease liabilities	210,697	218,756
Term loan	378,710	536,050
	1,087,983	1,168,653

18. Operating profit/(Loss)/Profit before tax

Operating profit/(Loss)/Profit before tax is arrived at :

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
After charging :				
Auditors' remuneration				
Audit fees				
- KPMG Malaysia				
- Current year	78,000	70,000	20,000	20,000
- Prior year	3,000	-	-	-
- Other auditors'				
- Current year	5,000	-	-	-
- Prior year	5,000	-	-	-
Non-audit fees				
- Affiliates of KPMG Malaysia				
- Current year	27,390	20,200	2,000	2,000
- Prior year	700	534	-	-

18. Operating profit/(Loss)/Profit before tax (cont'd)

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Depreciation of:				
- property, plant and equipment (Note 3)	5,220,039	5,064,235	-	-
- investment properties (Note 4)	9,936	12,468	-	-
Amortisation of prepaid lease payments (Note 5)	397,056	397,056	-	-
Rental of equipment	62,444	32,056	-	-
Research and development expenses	638,319	489,783	-	-
Unrealised loss on foreign exchange	-	74,478	-	-
Impairment loss on trade receivables	529,293	763,330	-	-
Impairment loss on :				
- plant and equipment	272,180	-	-	-
- investment properties	132,875	-	-	-
Rental of premises	45,436	23,000	-	-
Inventories written off	210,157	950,798	-	-
Bad debts written off	3,525	567,096	-	10,737
Plant and equipment written off	-	2,477	-	-
Loss on strike-off of a subsidiary	-	100	-	51
Loss on disposal of plant and equipment	-	4,800	-	-
and after crediting :				
Interest income	85,798	107,657	56,109	81,636
Gain on disposal of :				
- plant and equipment	94	-	-	-
- investment properties	90,524	-	-	-
Gain on foreign exchange				
- realised	65,499	28,330	-	-
- unrealised	49,108	-	-	-
Reversal of impairment loss on trade receivables	236,181	152,258	-	-
Rental income from investment properties (Note 4)	366,684	215,322	-	-

i) The estimated monetary value of benefits receivable by certain Directors otherwise than in cash amounted to RM32,700 (2011 : RM27,975).

ii) Included in research and development expenses is an amount of RM450,124 (2011 : RM367,200) representing Director's emoluments.

19. Employee information

	Group 2012 RM	Group 2011 RM
Staff costs (including Executive Directors' remuneration)	9,136,655	7,922,929

Staff costs of the Group include contributions to the Employees' Provident Fund of RM492,678 (2011 : RM355,556).

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

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Directors' fee	160,000	160,000	160,000	160,000
Directors' remuneration	1,694,102	1,440,000	-	-
Contributions to Employees' Provident Fund	215,901	172,800	-	-
Estimated monetary value of benefits-in-kind	32,700	27,975	-	-
	2,102,703	1,800,775	160,000	160,000

20. Income tax expense

Recognised in profit or loss

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Income tax expense on continuing operations	350,452	833,599	6,811	(35,087)
Share of tax of an equity accounted associate	158,790	125,060	-	-
Total income tax expense	509,242	958,659	6,811	(35,087)

Major components of income tax expense include :

	Group		Company	
	2012 RM	2011 RM	2012 RM	2011 RM
Current tax expense				
- Current year	776,244	881,998	2,186	-
- Prior years	(194,831)	66,359	4,625	(35,087)
Total current tax recognised in profit or loss	581,413	948,357	6,811	(35,087)

20. Income tax expense (cont'd)

Major components of income tax expense include : (cont'd)

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Deferred tax expense				
- Current year	(572,962)	(514,000)	-	-
- Prior years	342,001	399,242	-	-
Total deferred tax recognised in profit or loss	(230,961)	(114,758)	-	-
Share of tax of an equity accounted associate	158,790	125,060	-	-
Total income tax expense	509,242	958,659	6,811	(35,087)

Reconciliation of effective income tax expense

	Group 2012 RM	Group 2011 RM	Company 2012 RM	Company 2011 RM
Profit/(Loss) for the year	1,318,657	1,010,519	(68,654)	721,805
Total income tax expense	509,242	958,659	6,811	(35,087)
Profit/(Loss) excluding tax	1,827,899	1,969,178	(61,843)	686,718
Income tax calculated using Malaysian tax rate of 25%	456,975	492,295	(15,461)	171,680
Tax exempt income	(69,027)	(239,159)	(69,027)	(239,159)
Non-deductible expenses	500,660	737,694	86,674	67,479
Tax incentive	(484,728)	(465,325)	-	-
Deferred tax assets not recognised	4,100	-	-	-
Realisation of deferred tax liabilities on revaluation	(45,961)	-	-	-
Others	53	(32,447)	-	-
	362,072	493,058	2,186	-
Under/(Over) provision	147,170	465,601	4,625	(35,087)
Total income tax expense	509,242	958,659	6,811	(35,087)

No deferred tax asset has been recognised for the following items :

	2012 RM	2011 RM
Unutilised tax losses	4,100	-

20. Income tax expense (cont'd)

Deferred tax asset has not been recognised in respect of this item because it is not probable that future taxable profits will be available against which the Group can utilized the benefits therefrom.

21. Earnings per ordinary share - Group

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at 30 June 2012 was based on the profit attributable to owners of the Company of RM1,318,657 (2011 : RM1,010,519) and on the weighted average number of ordinary shares outstanding during the year of 40,000,000 (2011 : 40,000,000).

Diluted earnings per ordinary share

No diluted earnings per ordinary share is disclosed in the financial statements as there are no dilutive potential ordinary shares.

22. Related parties - Group/Company

22.1 For the purposes of these financial statements, parties are considered to be related to the Group or the Company if the Group or the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

i) The Group also has a related party relationship with the following :

- Sin Kean Boon (KL) Sdn. Bhd., a company in which Messrs Sin Kheng Lee and Sin Ching San are deemed to have substantial financial interests;
- Lembah Segar Sdn. Bhd., a company in which Messrs Sin Kheng Lee and Chou Lee Sin are deemed to have substantial financial interests; and
- Livsolution International Sdn. Bhd., a company in which Messrs Chou Lee Sin and Sin Siew Huey are deemed to have substantial financial interests.

ii) Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the Directors of the Group.

22.2 Significant related party transactions of the Group and of the Company are as follows :

i) Transactions with an associate

	Group/Company	
	2012 RM	2011 RM
Management fee income	24,000	24,000
Dividend income	220,000	875,000

22. Related parties - Group/Company (cont'd)

22.2 Significant related party transactions of the Group and of the Company are as follows : (cont'd)

ii) Transactions with a related party

	Group/Company	
	2012 RM	2011 RM
Rental of premise	36,000	15,000

22.3 Transactions with Directors and key management personnel

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

22.4The non-trade balances outstanding at the end of reporting period of the Company with related parties are disclosed in Note 9 to the financial statements. All the amounts outstanding are unsecured and are expected to be settled with cash.

23. Operating segments - Group

The Group is principally confined to the manufacture and sale of roller shutters, racking systems and related steel products which are principally carried out in Malaysia. Accordingly, information by operating segments on the Group's operations as required by FRS 8 is not presented.

Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments (including investment in an associate).

	Revenue RM	Non-current assets RM
2012		
Malaysia	41,294,767	52,248,938
Asia (excluding Malaysia)	9,551,286	-
Middle East	7,206,421	-
Europe	3,273,219	-
Others	735,081	-
	62,060,774	52,248,938
2011		
Malaysia	32,464,290	55,732,425
Asia (excluding Malaysia)	8,561,316	-
Middle East	7,610,874	-
Europe	2,371,576	-
Others	732,156	-
	51,740,212	55,732,425

24. Capital commitment - Group

	2012 RM'000	2011 RM'000
Plant and equipment		
Contracted but not provided for	535	20

25. Contingent liabilities, unsecured - Company

The Company has given corporate guarantees to certain financial institutions for banking facilities granted to its subsidiaries for a limit of up to RM36.20 million (2011 : RM42.85 million) of which RM19.52 million (2011 : RM21.55 million) were utilised at reporting date.

26. Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as follows :

(a) Loans and receivables (L&R); and
(b) Other financial liabilities measured at amortised cost (OL).

	Carrying amount RM	L&R RM
Financial assets		
2012		
Group		
Trade and other receivables	20,659,871	20,659,871
Cash and cash equivalents	4,610,330	4,610,330
	25,270,201	25,270,201
Company		
Other receivables	22,094,614	22,094,614
Cash and cash equivalents	2,285,138	2,285,138
	24,379,752	24,379,752
2011		
Group		
Trade and other receivables	16,570,978	16,570,978
Cash and cash equivalents	5,034,318	5,034,318
	21,605,296	21,605,296
Company		
Other receivables	21,175,389	21,175,389
Cash and cash equivalents	3,272,641	3,272,641
	24,448,030	24,448,030

26. Financial instruments (cont'd)

26.1 Categories of financial instruments (cont'd)

	Carrying amount RM	OL RM
Financial liabilities		
2012		
Group		
Loans and borrowings	20,475,946	20,475,946
Trade and other payables	9,773,224	9,773,224
	30,249,170	30,249,170
Company		
Other payables	188,140	188,140
2011		
Group		
Loans and borrowings	23,905,323	23,905,323
Trade and other payables	10,888,487	10,888,487
	34,793,810	34,793,810
Company		
Other payables	188,378	188,378

26.2 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

26.3 Credit risk

Credit risk is the risk of a financial loss to the Group 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 its receivables from customers. The Company's exposure to credit risk arises principally from advances to subsidiaries and financial guarantees given.

Receivables

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

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

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are regular customers that have been transacting with the Group.

26. Financial instruments (cont'd)

26.3 Credit risk (cont'd)

Receivables (cont'd)

Exposure to credit risk, credit quality and collateral (cont'd)

The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 270 days, which are deemed to have higher credit risk, are monitored individually.

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

	2012 RM	2011 RM
Group		
Domestic	19,134,071	13,743,450
Asia (excluding Malaysia)	324,974	361,761
Middle East	120,629	1,205,046
Others	270,167	135,704
	19,849,841	15,445,961

Impairment losses

The ageing of trade receivables as at the end of the reporting period was :

	Gross RM	Individual impairment RM	Net RM
Group			
2012			
Not past due	8,978,488	-	8,978,488
Past due 1 - 90 days	5,466,967	-	5,466,967
Past due 91 - 180 days	1,180,208	-	1,180,208
Past due 181 - 270 days	2,339,656	-	2,339,656
Past due more than 270 days	3,631,177	(1,746,655)	1,884,522
	21,596,496	(1,746,655)	19,849,841
2011			
Not past due	6,741,172	-	6,741,172
Past due 1 - 90 days	3,281,182	-	3,281,182
Past due 91 - 180 days	825,321	(4,121)	821,200
Past due 181 - 270 days	520,118	(103,835)	416,283
Past due more than 270 days	5,740,311	(1,554,187)	4,186,124
	17,108,104	(1,662,143)	15,445,961

26. Financial instruments (cont'd)

26.3 Credit risk (cont'd)

Receivables (cont'd)

Impairment losses (cont'd)

The movements in the allowance for impairment losses of trade receivables during the financial year were :

	Group	
	2012 RM	2011 RM
At 1 July	1,662,143	1,051,808
Impairment loss recognised	529,293	762,593
Impairment loss reversed	(236,181)	(152,258)
Impairment loss written off	(208,600)	-
At 30 June	1,746,655	1,662,143

The allowance account in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors on an ongoing basis the results of the subsidiaries and repayments made by the subsidiaries.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM19,519,497 (2011: RM21,550,310) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

Inter company balances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured advances to its subsidiaries. The Company monitors the results of the subsidiaries regularly.

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.

26. Financial instruments (cont'd)

26.3 Credit risk (cont'd)

Inter company balances (cont'd)

Impairment losses

As at the end of the reporting period, there was no indication that the advances to the subsidiaries are not recoverable. The Company does not specifically monitors the ageing of the advances to the subsidiaries.

26.4 Liquidity risk

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

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

Maturity analysis

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

	Carrying amount RM	Contractual interest rates %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
Non-derivative financial liabilities							
2012							
Group							
Term loan	6,072,176	4.60	6,267,324	4,828,620	1,438,704	-	-
Finance lease liabilities	4,118,905	2.23 - 4.18	4,426,352	1,997,280	1,268,559	1,160,513	-
Revolving credits	2,000,000	4.65 - 4.70	2,033,501	2,033,501	-	-	-
Bank overdrafts	2,099,683	7.85	2,099,683	2,099,683	-	-	-
Bankers' acceptances	5,278,000	3.15 - 4.37	5,278,000	5,278,000	-	-	-
Foreign currency loans	907,182	2.47 - 2.70	943,506	943,506	-	-	-
Trade and other payables	9,773,224	-	9,773,224	9,773,224	-	-	-
	30,249,170		30,821,590	26,953,814	2,707,263	1,160,513	-
Company							
Other payables	188,140	-	188,140	188,140	-	-	-

26. Financial instruments (cont'd)

26.4 Liquidity risk (cont'd)

Maturity analysis (cont'd)

	Carrying amount RM	Contractual interest rates %	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
Non-derivative financial liabilities							
2011							
Group							
Term loan	10,522,085	4.60	11,082,173	4,828,620	4,828,620	1,424,933	-
Finance lease liabilities	4,064,080	2.23 - 4.18	4,381,995	1,934,961	1,317,334	1,129,700	-
Revolving credits	2,000,000	4.65 - 4.70	2,030,565	2,030,565	-	-	-
Bank overdrafts	1,080,920	7.85	1,080,920	1,080,920	-	-	-
Bankers' acceptances	5,436,000	3.15 - 4.37	5,436,000	5,436,000	-	-	-
Foreign currency loans	802,238	2.47 - 2.70	807,586	807,586	-	-	-
Trade and other payables	10,888,487	-	10,888,487	10,888,487	-	-	-
	34,793,810		35,707,726	27,007,139	6,145,954	2,554,633	-
Company							
Other payables	188,378	-	188,378	188,378	-	-	-

26.5 Market risk

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

26.5.1 Currency risk

The Group is exposed to foreign currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of the Group entities. The currencies giving rise to this risk are primarily U.S. Dollar (USD), Singapore Dollar (SGD), Japanese Yen (YEN), New Zealand Dollar (NZD), Australian Dollar (AUD) and European Dollar (EURO).

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 currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was :

26. Financial instruments (cont'd)

26.5 Market risk (cont'd)

26.5.1 Currency risk (cont'd)

Exposure to foreign currency risk (cont'd)

	Denominated in USD RM	SGD RM
Group		
2012		
Foreign currency loans	(907,182)	-
Trade and other receivables	726,385	-
Cash and bank balances	920,167	-
Trade and other payables	(2,972,004)	(1,041)
Net exposure	(2,232,634)	(1,041)

		Denominated in		
	USD RM	SGD RM	YEN RM	NZD RM
2011				
Foreign currency loans	(802,238)	-	-	-
Trade and other receivables	1,702,512	-	-	-
Cash and bank balances	813,777	-	-	-
Trade and other payables	(3,315,608)	(31,295)	(8,662)	(6,493)
Net exposure	(1,601,557)	(31,295)	(8,662)	(6,493)

Currency risk sensitivity analysis

A 10% strengthening of the Ringgit Malaysia (RM) against the following currencies at the end of the reporting period would have increased/(decreased) pre-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	Profit or loss 2012 RM	2011 RM
Group		
USD	210,062	158,544
SGD	107	3,139
YEN	-	863
NZD	-	673

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

26. Financial instruments (cont'd)

26.5 Market risk (cont'd)

26.5.2 Interest rate risk

The Group's investments in 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 Company manage their interest rate risk by having a combination of borrowing with variable 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	
	2012	2011	2012	2011
	RM	RM	RM	RM
Fixed rate instruments				
Financial assets	2,266,289	3,210,180	2,266,289	3,210,180
Financial liabilities	(4,118,905)	(4,064,080)	-	-
	(1,852,616)	(853,900)	2,266,289	3,210,180
Floating rate instruments				
Financial liabilities	16,357,041	19,841,243	-	-

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, and the Group does not designate derivatives as hedging instruments under a fair value hedged accounting model. 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) pre-tax profit loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remained constant.

26. Financial instruments (cont'd)

26.5 Market risk (cont'd)

26.5.2 Interest rate risk

Interest rate risk sensitivity analysis (cont'd)

(b) Cash flow sensitivity analysis for variable rate instruments (cont'd)

	Profit or loss	
	50 bp increase RM	50 bp decrease RM
Group		
2012		
Floating rate instruments	(81,785)	81,785
2011		
Floating rate instruments	(99,206)	99,206

26.6 Fair value of financial instruments

The carrying amounts of cash and cash equivalents, short term receivables and payables and short term borrowings approximate fair values due to the relatively short term nature of these financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows :

	2012		2011	
	Carrying amount RM	Fair value RM	Carrying amount RM	Fair value RM
Group				
Financial liability				
Finance lease liabilities	4,118,905	4,119,000	4,064,080	4,064,000

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 end of the reporting period. For financial lease liabilities, the market rate of the interest is determined by reference to similar lease arrangements.

27. Capital management

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

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

28. Supplementary information on the breakdown of realised and unrealised profits or losses

The breakdown of the retained earnings of the Group and of the Company as at 30 June, into realised and unrealised profits, pursuant to paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements, are as follows :

	Group		Company	
	2012	2011	2012	2011
	RM	RM	RM	RM
Total retained earnings of the Company and its subsidiaries :				
- realised	33,385,827	32,002,470	926,294	994,948
- unrealised	4,853,141	5,207,688	-	-
	38,238,968	37,210,158	926,294	994,948
Total share of retained earnings from an associate :				
- realised	1,100,702	813,802	-	-
- unrealised	10,982	8,035	-	-
	39,350,652	38,031,995	926,294	994,948
Less : Consolidation adjustments	(11,701,799)	(11,701,799)	-	-
Total retained earnings	27,648,853	26,330,196	926,294	994,948

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

Statement by Directors

pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 23 to 69 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company at 30 June 2012 and of their financial performance and cash flows for the financial year then ended.

In the opinion of the Directors, the information set out in Note 28 on page 70 to the financial statements has been compiled in accordance with the Guidance on Special Matter No. 1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

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

Sin Kheng Lee

Sin Ching San

Penang,

Date : 28 September 2012

Statutory Declaration

pursuant to Section 169(16) of the Companies Act, 1965

I, **Sin Kheng Lee**, 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 23 to 70 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed at Georgetown in the State of Penang on 28 September 2012.

Sin Kheng Lee

Before me :

CHEAH BENG SUN (No. P.103)
DJN, AMN, PKT, PJK, PJM, PK
Pesuruhjaya Sumpah
(Commissioner for Oaths)
Penang

Independent Auditors' Report

to the members of SKB Shutters Corporation Berhad

Report on the Financial Statements

We have audited the financial statements of SKB Shutters Corporation Berhad, which comprise the statements of financial position as at 30 June 2012 of the Group and of the Company, and the statements of comprehensive income, changes in equity and cash flows of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 23 to 69.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 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 2012 and of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

b) We have considered the accounts of the subsidiary of which we have not acted as auditors, which is indicated in Note 6 to the financial statements.

c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

d) The audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Reporting Responsibilities

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The information set out in Note 28 on page 70 to the financial statements has been compiled by the Company as required by the Bursa Malaysia Securities Berhad Listing Requirements and is not part of the financial statements. We have extended our audit procedures to report on the process of compilation of such information. In our opinion, the information has been properly compiled, in all material respects, in accordance with the Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG
AF 0758
Chartered Accountants

Ng Swee Weng
1414/03/14 (J/PH)
Chartered Accountant

Date : 28 September 2012

Penang

List of Properties held by the Group

as at 30.06.2012

Nos.	Description / Address	Date Revaluation	Tenure	Area	Existing Use	N.B.V 30.06.2012 RM
	LAND					
1	Lot No. 47158 Indahpura Industrial Park Kulai, Johor Bahru	28/6/2011	Freehold	6,102 sq.m.	Vacant	1,084,000
2	Lot 22, Jalan Teknologi Taman Sains Selangor 1 Kota Damansara 47810 Petaling Jaya	28/6/2011	Leasehold - 30 years expiring 2031	523,524 sq.ft.	Factory	7,577,156
	BUILDING					
1	Lot 22, Jalan Teknologi Taman Sains Selangor 1 Kota Damansara 47810 Petaling Jaya	28/6/2011	Leasehold - 30 years expiring 2031	336,263 sq.ft.	Factory	31,159,220
2	Corporate Tower Subang Square CT-01-17, Jln SS 15/4G 47500 Subang Jaya, Selangor	28/6/2011	Freehold	810 sq.ft.	Rent	251,576
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	PD Perdana Condo Resort Parcel No.411, Block M Jln PD Perdana, Off Jln Pantai 71050 Sirusa, Port Dickson Negeri Sembilan	28/6/2011	Freehold	746 sq.ft.	Vacant	57,584
5	Kiambang Apartment C-1-12, Jln Putra Perdana 5F Taman Putra Perdana 47100 Puchong, Selangor	28/6/2011	Leasehold - 99 years expiring 2093	790 sq.ft.	Vacant	74,662
6	Sri Hijauan Condominium B1-01, No.1 Jln Bukit Hijau 26/24 Seksyen 26 40000 Shah Alam, Selangor	28/6/2011	Freehold	95.97 sq.m.	Own Use	205,800
	Total					40,409,999

Analysis of Shareholdings

as at 30.10.2012

AUTHORISED SHARE CAPITAL	:	RM50,000,000
ISSUED AND FULLY PAID-UP CAPITAL	:	RM40,000,000
CLASS OF SHARE	:	Ordinary shares of RM1 each fully paid
VOTING RIGHTS	:	On a show of hands - one vote for every shareholder On a poll - one vote for every ordinary share held

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholding	No. of shareholders	% of shareholders	No. of shares	% of shares
Less than 100	4	0.476	200	0.001
100 - 1,000	427	50.833	404,400	1.011
1,001 - 10,000	318	37.857	1,360,100	3.400
10,001 - 100,000	74	8.810	1,761,500	4.404
100,001 - 1,999,999	14	1.667	8,297,596	20.744
2,000,000 - 40,000,000	3	0.357	28,176,204	70.441
Total	840	100.000	40,000,000	100.000

SUBSTANTIAL SHAREHOLDERS AS AT 30 OCTOBER 2012

	Name	Direct Interest	% of Issued Capital	Indirect Interest	% of Issued Capital
1	SKB Glory Sdn. Bhd.	22,847,607	57.12	-	-
2	Sin Kheng Lee	2,010,000	5.03	22,857,607 *	57.14
3	Dato' Moehamad Izat Bin Achmad Habechi Emir	3,318,597	8.30	-	-
4	Chou Lee Sin	10,000	0.03	24,857,607 #	62.14
5	Sin Ching San	10,000	0.03	22,847,607 ^	57.12

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

DIRECTORS' SHAREHOLDINGS AS AT 30 OCTOBER 2012

		Direct Interest	%	Indirect Interest	%
	The Company				
1	Sin Kheng Lee	2,010,000	5.03	22,857,607 *	57.14
2	Dato' Moehamad Izat Bin Achmad Habechi Emir	3,318,597	8.30	-	-
3	Chou Lee Sin	10,000	0.03	24,857,607 #	62.14
4	Sin Ching San	10,000	0.03	22,857,607 *	57.14
5	Sin Siew Huey	-	-	-	-
6	Lai Lan Man @ Lai Shuk Mee	15,000	0.04	-	-
7	You Tong Lioung @ Yew Tong Leong	10,000	0.03	-	-
8	Mohd Arif Bin Mastol	-	-	-	-
	Holding Company - SKB Glory Sdn Bhd				
1	Sin Kheng Lee	971,250	64.75	112,500	7.50
2	Sin Ching San	416,250	27.75	-	-
3	Chou Lee Sin	-	-	1,083,750 #	72.25

* Deemed interest via SKB Glory Sdn Bhd and spouse
# Deemed interest via spouse

Note : By virtue of their interest of more than 15% 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.

LIST OF THIRTY LARGEST SHAREHOLDERS AS AT 30 OCTOBER 2012

NO	NAME	NO. OF SHARES	% OF SHARES
1	SKB GLORY SDN BHD	22,847,607	57.119
2	MOEHAMAD IZAT BIN ACHMAD HABECHI EMIR	3,318,597	8.296
3	SIN KHENG LEE	2,000,000	5.000
4	ABBAS BIN MEHAD	1,642,065	4.105
5	ABDUL RAHIM BIN ABDUL RAHMAN	1,313,653	3.284
6	LOOI ENG KEONG	1,056,000	2.640
7	MOHD HAFIZ BIN HASHIM	985,239	2.463
8	DAUD BIN DAROS	985,239	2.463
9	OOI SAY TUAN	700,000	1.750
10	INTEGRO HOLDING SDN BHD	407,400	1.019
11	NIELS JOHN MADSEN	291,200	0.728
12	YONG KIAN SENG @ YOONG TEIN SENG	193,200	0.483
13	NG FONG WAH	155,000	0.388
14	LIM POH BOON	154,000	0.385
15	KWAN CHEE TONG	132,100	0.330
16	GOH AH THIAM	115,000	0.288
17	LEE LAM KEIONG	110,000	0.275
18	TA NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHOU, CHUN-SHENG	77,400	0.194
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KHOO SENG KEAT (473844)	70,000	0.175
20	TAN YEE CHIA	60,000	0.150
21	HDM NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR RONNIE LAI TSIN LEE (M08)	59,700	0.149
22	SOO SING HUAT	55,000	0.138
23	KANAI SEIICHI	55,000	0.138
24	HO, JEN-CHIH	54,200	0.136
25	YONG THAIN CHAI	50,000	0.125
26	LEE SIEW YEAN @ LEE SEW YEAN	49,900	0.125
27	LAW WEI HONG	46,200	0.116
28	DZH MANAGEMENT CONSULTANTS SDN BHD	46,000	0.115
29	LIM SEE FOOK	45,000	0.113
30	NG FONG WAH	44,500	0.111
	TOTAL:	**37,119,200**	**92.801**

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Fifteenth Annual General Meeting of the Company will be held at Bayan Room, Lower Level, Hotel Equatorial Penang, 1 Jalan Bukit Jambul, Bayan Lepas, 11900 Penang, on Wednesday, 19 December 2012 at 2.00 p.m. to transact the following business: -

1. To receive and adopt the Financial Statements for the year ended 30 June 2012 and the Reports of Directors and Auditors thereon.
2. To re-elect the following directors who retire pursuant to Article 125 of the Company's Articles of Association:-

Mr Sin Kheng Lee	Ordinary Resolution 1
Mr Sin Ching San	Ordinary Resolution 2
Ms Chou Lee Sin	Ordinary Resolution 3
Ms Sin Siew Huey	Ordinary Resolution 4
Ms Lai Lan Man @ Lai Shuk Mee	Ordinary Resolution 5
Encik Mohd Arif Bin Mastol	Ordinary Resolution 6

3. To re-elect the following directors who retire pursuant to Section 129 of the Companies Act, 1965:-

Dato' Moehamad Izat bin Achmad Habechi Emir	Ordinary Resolution 7
Mr You Tong Lioung @ Yew Tong Leong	Ordinary Resolution 8

4. To approve the payment of a sum of RM160,000/- as directors' fees in respect of the year ended 30 June 2012. — Ordinary Resolution 9
5. To re-appoint Messrs KPMG as auditors of the Company and to authorise the directors to fix their remuneration. — Ordinary Resolution 10
6. **As Special Business**

   To consider and if thought fit, to pass the following Resolutions:-

   a) Section 132D of the Companies Act, 1965 — Ordinary Resolution 11

   "That pursuant to Section 132D of the Companies Act, 1965 and subject to the approval of the relevant authorities, the directors be and are hereby empowered to issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the directors may deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being and that the directors be and 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 and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting or the expiration of the period within which the next Annual General Meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting whichever is the earlier."

   b) Proposed amendments to the Articles of Association of the Company — Special Resolution 1

   "That the amendments to the Articles of Association of the Company contained in Appendix I be and are hereby approved."

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

By Order of the Board

Ong Tze-En (MAICSA 7026537)
Chin Lee Phing (MAICSA 7057836)
Joint Company Secretaries

Penang, 27 November 2012

Notes:

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 and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not, apply to 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 shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of an officer or attorney duly authorised.

5. To be valid, the proxy form must be deposited at the Company's Registered Office at Suite 2-1, 2nd Floor, Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang, at least forty eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.

6. 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 Article 75(3)(2) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors ("ROD") as at 12 December 2012 and only a Depositor whose name appears on such ROD shall be entitled to attend this meeting or appoint proxy to attend and/or vote in his/her behalf.

Explanatory Notes on Ordinary Business: -

7. Agenda 1 is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of shareholders of the Company and hence, Agenda 1 is not put forward for voting.

Explanatory Notes on Special Business: -

8. The proposed Ordinary Resolution 11 is for the purpose of granting a renewed general mandate ("General Mandate") and empowering the Directors of the Company, pursuant to Section 132D of the Companies Act, 1965 to issue and allot new shares in the Company from time to time provided that the aggregate number of shares issued pursuant to the General Mandate does not exceed 10% of the issued and paid-up share capital of the Company for the time being. The General Mandate, unless revoked or varied by the Company in general meeting, will expire at the next Annual General Meeting of the Company.

   As at the date of this Notice, no new shares in the Company were issued pursuant to the mandate granted to the Directors at the last Annual General Meeting held on 23 December 2011 and which will lapse at the conclusion of the Fifteenth Annual General Meeting.

   The 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), working capital and/or acquisitions.

Explanatory Notes on Special Business: - (cont'd)

9. The Special Resolution 1, if passed, will give authority for the Company to amend its Articles of Association in order to align with the recent amendments of the Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad.

Statement Accompanying Notice of Annual General Meeting

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

1. No individual is seeking election as a Director at the forthcoming Fifteenth Annual General Meeting of the Company.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

The Articles of Association of the Company are proposed to be amended in the following manner:

Article No.	Existing Articles	Amended Articles
To add Article 2(1)	WORDS MEANINGS *New definition*	WORDS MEANINGS (aa) Exempt Authorised Nominee — An authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of subsection 25A(1) of Central Depositories Act.
	New definition	(bb) Share Issuance Scheme — means a scheme involving a new issuance of shares to the employees.
	New definition	(cc) Omnibus Account — Omnibus Account means Securities Account in which ordinary shares are held in the Company for multiple beneficial owners in one Securities account.
To amend Article 14(2)	Restrictions on issue no Director shall participate in an issue of shares to employees unless:- (a) the Members in general meeting have approved the specific allotment to such Director; and (b) such Director holds office in any executive capacity provided that if he does not hold such office he may participate in an issue of shares pursuant to an offer or issue of shares to the public.	Restrictions on issue no Director shall participate in an issue of shares to employees and any participation in Share Issuance Scheme by Directors unless:- (a) the Members in general meeting have approved the specific allotment to such Director; and (b) such Director holds office in any executive capacity provided that if he does not hold such office he may participate in an issue of shares pursuant to an offer or issue of shares to the public.
To amend Article 77	Proxy statement In every notice calling a general meeting, there shall appear with reasonable prominence a statement that a Member is entitled to appoint up to 2 proxies to attend and vote in his place, that a proxy may but need not be a Member and that if a Member appoints 2 proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.	Proxy statement In every notice calling a general meeting, there shall appear with reasonable prominence a statement that a Member is entitled to appoint up to 2 proxies to attend and vote at a meeting of the Company, or at a meeting of any class of members of the Company in his place, that a proxy may but need not be a Member and that if a Member appoints 2 proxies, the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

Article No.	Existing Articles	Amended Articles
To amend Article 98	Appointment of proxies Subject to Article 98a, a Member may appoint up to 2 proxies to attend on the same occasion. A proxy may but need not be a Member and the provisions of Section 149(1)(b) of the Act shall not, apply to 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.	Appointment of proxies Subject to Article <u>98b</u>, a Member may appoint up to two (2) proxies to attend on the same occasion. A proxy may but need not be a Member and the provisions of Section 149(1)(b) of the Act shall not, apply to the Company. <u>There shall be no restriction as to the qualification of the proxy.</u> If a Member appoints <u>more than one (1) proxy,</u> the appointments shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy. <u>He must also specify which proxy is entitled to vote on a show of hands and only one (1) of those proxies is entitled to vote on a show of hands.</u>
To amend Article 98a	Authorised nominee Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, 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.	Authorised nominee Where a member of the Company is an authorised nominees as defined under the Central Depositories Act, it may appoint <u>up to two (2) proxies</u> in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account.
To add Article 98b	Exempt Authorised Nominee *(New provision)*	<u>Exempt Authorised Nominee</u> <u>Where a Member of the Company is an Exempt Authorised Nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there shall be no limit to the number of proxies which the Exempt Authorised Nominee may appoint in respect of each omnibus account it holds.</u>
To add Article 98c	Rights of proxy to speak *(New provision)*	<u>Rights of proxy to speak</u> <u>A proxy appointed to attend and vote at a meeting shall have the same right s as the member to speak at the meeting.</u>

[*End of Appendix I*]

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Proxy Form

No. of shares held	CDS account no.

I/We ____

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

of ____

(Full address in BLOCK LETTERS and telephone no.)

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

Proxy 1 ____

(Full name as per NRIC and NRIC No. in BLOCK LETTERS)

Proxy 2 (Optional) ____

(Full name as per NRIC and NRIC No. in BLOCK LETTERS)

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 Fifteenth Annual General Meeting of the Company to be held at Bayan Room, Lower Level, Hotel Equatorial Penang, 1 Jalan Bukit Jambul, Bayan Lepas, 11900 Penang, on Wednesday, 19 December 2012 at 2.00 p.m. and at any adjournments thereof.

* Please delete the words “the Chairman of the meeting” if you wish to appoint some other person to be your proxy.

	ORDINARY RESOLUTIONS											SPECIAL RESOLUTION 1
	1	2	3	4	5	6	7	8	9	10	11	
FOR												
AGAINST												

(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 ______________ 2012.

For appointment of two (2) proxies, no. of shares and percentage of shareholdings to be represented by the proxies: -

	No. of shares	Percentage
Proxy 1		
Proxy 2		
Total		100%

____

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

Notes:

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 and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not, apply to 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.
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4. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s seal or under the hand of an officer or attorney duly authorised.
5. To be valid, the proxy form must be deposited at the Company’s Registered Office at Suite 2-1, 2nd Floor, Menara Penang Garden, 42A Jalan Sultan Ahmad Shah, 10050 Penang, at least forty eight (48) hours before the time appointed for holding the meeting or any adjournments thereof.
6. 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 Article 75(3)(2) of the Articles of Association of the Company and Paragraph 7.16(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, a Record of Depositors (“ROD”) as at 12 December 2012 and only a Depositor whose name appears on such ROD shall be entitled to attend this meeting or appoint proxy to attend and/or vote in his/her behalf.

Stamp

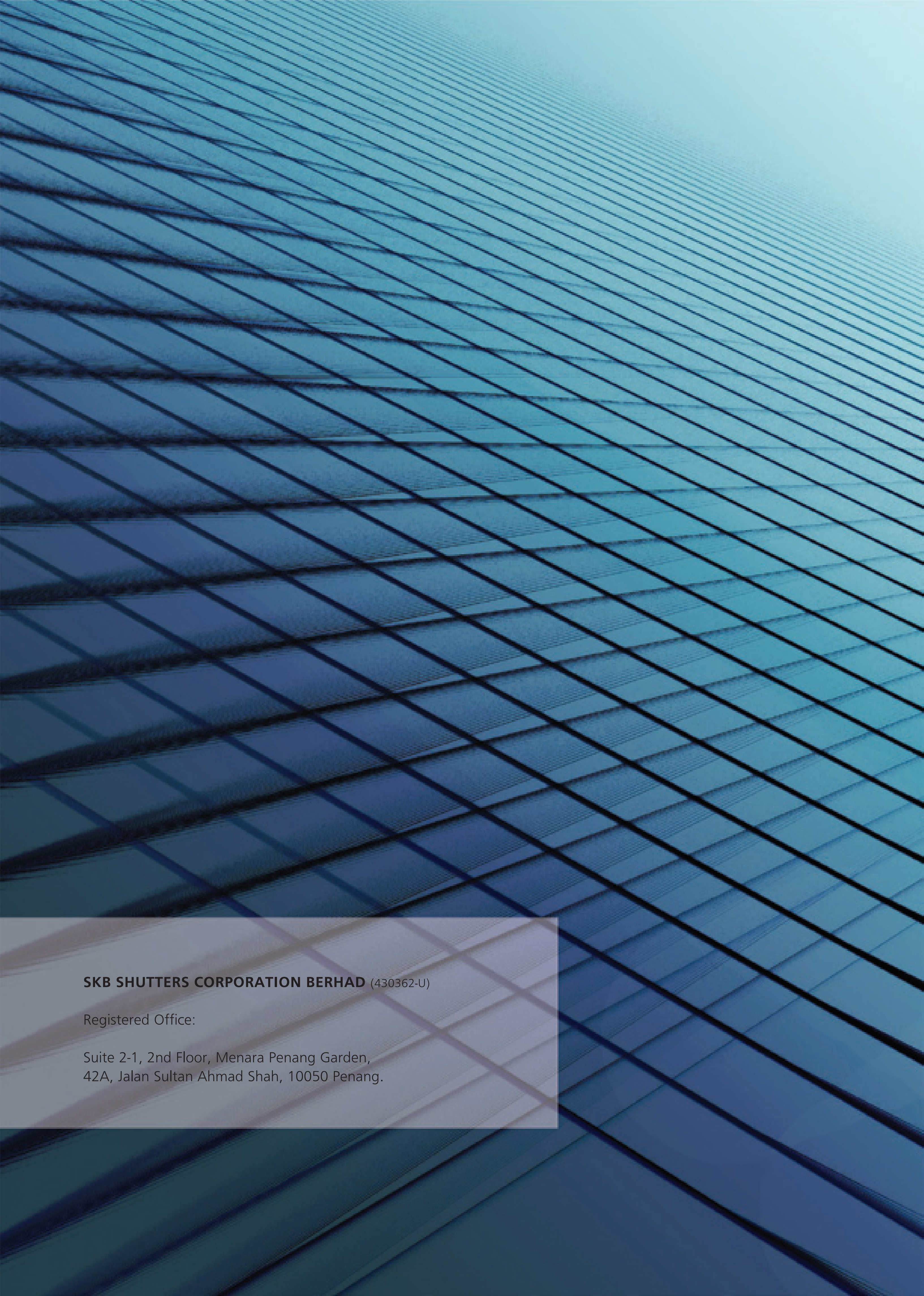
To,

The Company Secretaries

SKB SHUTTERS CORPORATION BERHAD (430362U)

Suite 2-1, 2nd Floor, Menara Penang Garden

42A, Jalan Sultan Ahmad Shah, 10050 Penang



SKB SHUTTERS CORPORATION BERHAD (430362-U)

Registered Office:

Suite 2-1, 2nd Floor, Menara Penang Garden,
42A, Jalan Sultan Ahmad Shah, 10050 Penang.