



**KEIN HING INTERNATIONAL BERHAD** [200301013636 (616056-T)]  
(Incorporated in Malaysia)



# ENGINEERING STRENGTH DRIVING LOWEST COSTS

Annual Report 2025



## CORPORATE PROFILE

Kein Hing International Berhad ("KHIB") was incorporated in Malaysia on 23 May 2003 under the name of Kein Hing International Sdn. Bhd.. It was converted to a public limited company on 22 August 2003 and assumed its present name. KHIB shares were listed and quoted on the official list of the Second Board of Bursa Malaysia Securities Berhad on 6 October 2004. Subsequently, KHIB was listed on the Main Market of Bursa Malaysia Securities Berhad following the merger of Main and Second Boards in 2009. KHIB is principally engaged in investment holding.

## 22ND ANNUAL GENERAL MEETING



### Meeting Venue

Rafflesia Ballroom,  
Palm Garden Hotel,  
IOI Resort City,  
62502 Putrajaya,  
Malaysia.



### Date

Friday, 10 October 2025

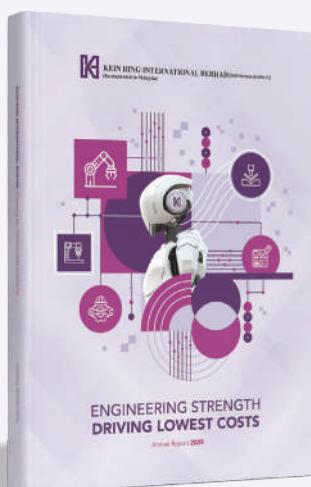


### Time

10.00 a.m.

# INSIDE THIS REPORT

Corporate Information	2
Corporate Structure	3
5-Year Financial Highlights	4
Profile of the Directors	5
Profile of the Key Senior Management	9
Chairman's Statement	11
Management Discussion and Analysis	13
Sustainability Statement	22
Corporate Governance Overview Statement	36
Audit and Risk Management Committee Report	49
Nominating Committee Statement	55
Statement on Risk Management and Internal Control	57
Additional Disclosure Requirements	61
Statement on Directors' Responsibility	62
Financial Statements	63
List of Properties	136
Analysis of Shareholdings	138
Notice of Annual General Meeting	141
Form of Proxy	•



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# Corporate Information

## BOARD OF DIRECTORS



### **YONG ELAINE**

(Executive Director/Executive Chairman)

### **YAP TOON CHOY**

(Group Managing Director)

### **KHOR YEW CHYE**

(Senior Independent Non-Executive Director)

### **JANCY OH SUAN TIN**

(Independent Non-Executive Director)

### **LOW KHOON BOON**

(Independent Non-Executive Director)

### **GAN POH CHAN**

(Independent Non-Executive Director, appointed on 2 May 2024)

## AUDIT AND RISK MANAGEMENT COMMITTEE

**Jancy Oh Suan Tin**  
(Chairman)

**Khor Yew Chye**  
(Member)

**Low Khoon Boon**  
(Member)

**Gan Poh Chan**  
(Member, appointed on 2 May 2024)

## NOMINATING COMMITTEE

**Khor Yew Chye**  
(Chairman)

**Jancy Oh Suan Tin**  
(Member)

**Low Khoon Boon**  
(Member)

## REMUNERATION COMMITTEE

**Khor Yew Chye**  
(Chairman)

**Jancy Oh Suan Tin**  
(Member)

**Low Khoon Boon**  
(Member)

## COMPANY SECRETARY

**Ng Yim Kong** (MACS 00305)  
SSM Practicing Certificate  
No. 202008000309

## REGISTERED OFFICE

Lot 1863, Jalan Kolej,  
43300 Seri Kembangan,  
Selangor Darul Ehsan.  
Tel : +603 - 8948 6820  
Fax : +603 - 8942 6384  
E-mail : irkhib@keinhing.com  
Website : www.keinhing.com

## AUDITORS

**Messrs. KPMG PLT**  
Level 10, KPMG Tower, 8, First Avenue,  
Bandar Utama, 47800 Petaling Jaya,  
Selangor Darul Ehsan.  
Tel : +603 - 7721 3388  
Fax : +603 - 7721 3399

## SOLICITORS

**Messrs. Jeff Leong, Poon & Wong**  
B-11-8, Level 11,  
Megan Avenue II,  
Jalan Yap Kwan Seng,  
50450 Kuala Lumpur.  
Tel : +603 - 2203 3388  
Fax : +603 - 2203 3399

## PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad  
Public Bank Berhad

## REGISTRAR

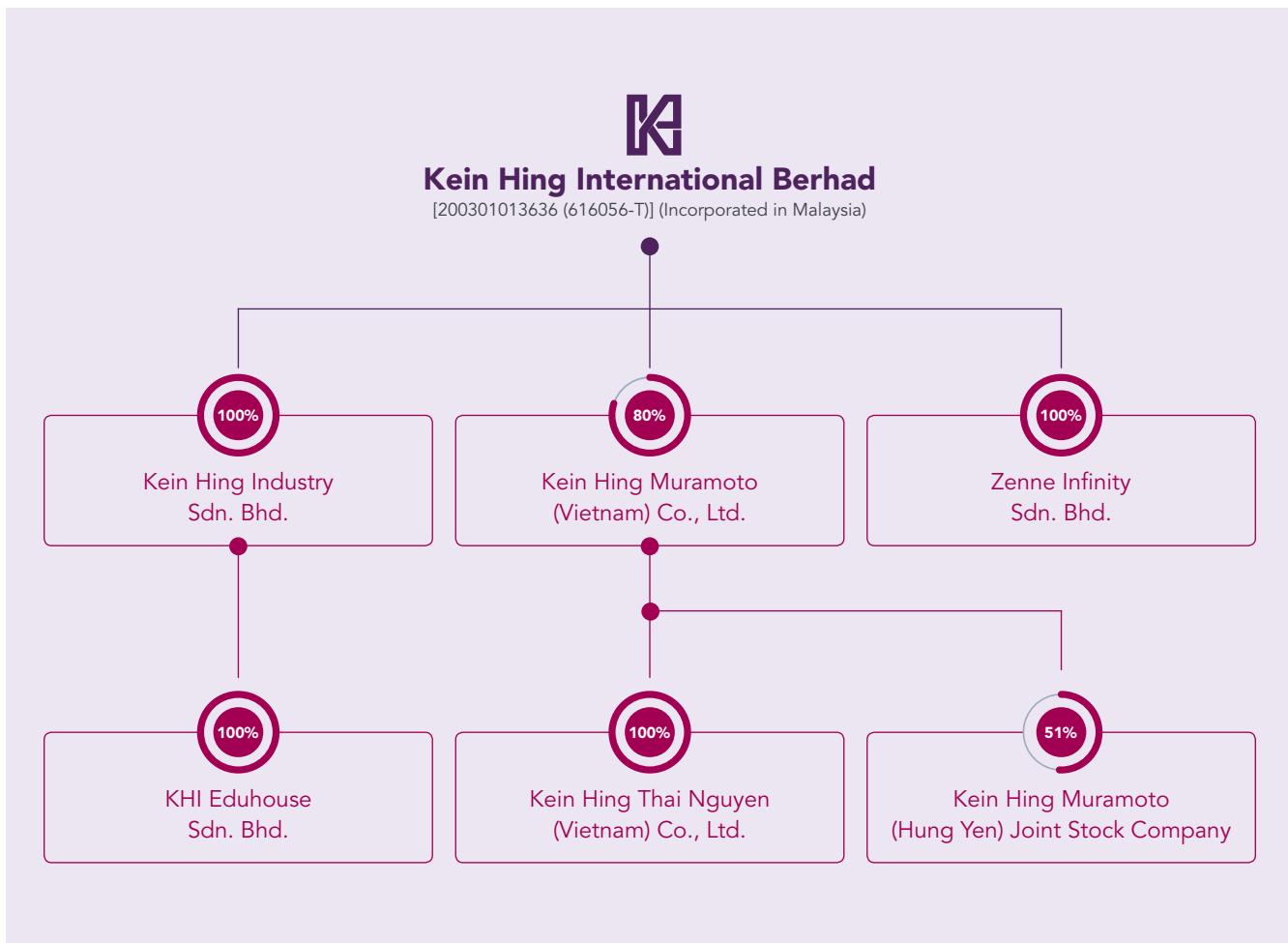
**Tricor Investor & Issuing House Services Sdn. Bhd.**  
Unit 32-01, Level 32,  
Tower A, Vertical Business Suite,  
Avenue 3, Bangsar South,  
No. 8, Jalan Kerinchi,  
59200 Kuala Lumpur.  
Tel : +603 - 2783 9299  
Fax : +603 - 2783 9222

## STOCK EXCHANGE LISTING

**Main Market of Bursa Malaysia Securities Berhad ("Bursa Securities")**  
Stock Name : Keinhin  
Stock Code : 7199



## Corporate Structure

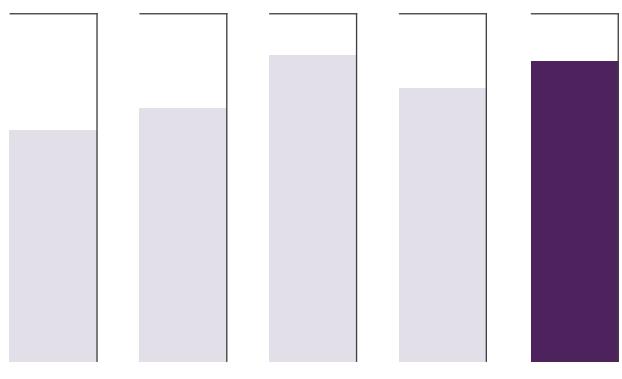


Company	Principal Activities
<b>Subsidiaries</b>	
Kein Hing Industry Sdn. Bhd. [198101002290 (68403-W)] Incorporated in Malaysia	Sheet metal forming, precision machining, component assembly and manufacture and sales of gas appliances
Kein Hing Muramoto (Vietnam) Co., Ltd. (012023000006) Incorporated in Vietnam	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries
Kein Hing Thai Nguyen (Vietnam) Co., Ltd. (172043000083) Incorporated in Vietnam	Sheet metal forming, precision machining, manufacturing and fabrication of tools and dies and assembly of components
Zenne Infinity Sdn. Bhd. [200101024440 (560198-X)] Incorporated in Malaysia	Trading in electrical and electronic products, home appliances and gas appliances
KHI Eduhouse Sdn. Bhd. (incorporated on 19 June 2024) [202401024410 (1570259-V)] Incorporated in Malaysia	Establishing, managing and operating child care centre, pre-schools, early childhood education and daycare centre
Kein Hing Muramoto (Hung Yen) Joint Stock Company (incorporated on 20 January 2025) (0901177901) Incorporated in Vietnam	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries

## 5-Year Financial Highlights

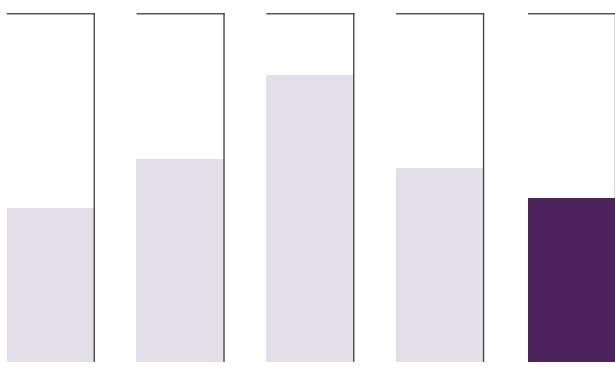
### Revenue

(RM'000)

253,108    276,711    334,921    298,571    **327,932**

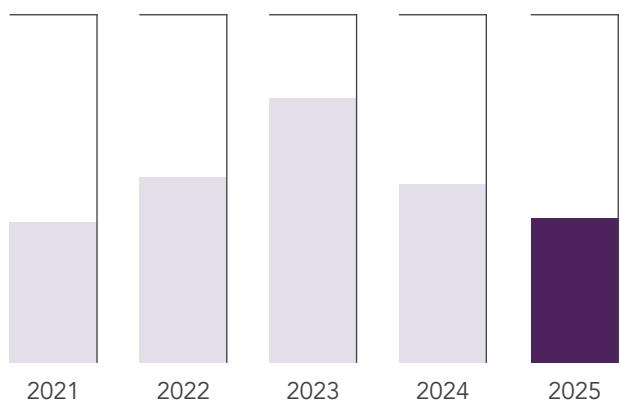
### Profit Attributable to Owners of the Company

(RM'000)

11,890    15,785    22,304    15,076    **12,134**

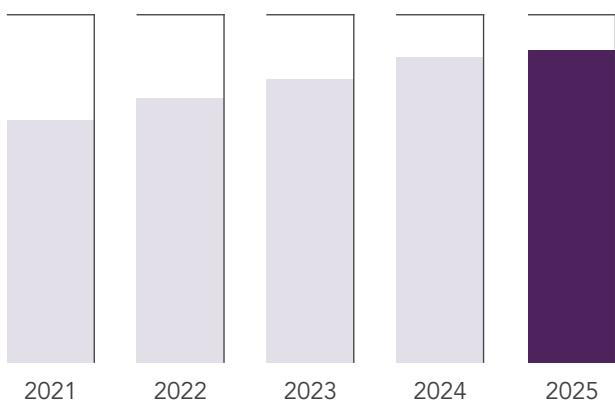
### Basic Earnings Per Ordinary Share

(sen)

10.92    14.49    20.48    13.84    **11.14**

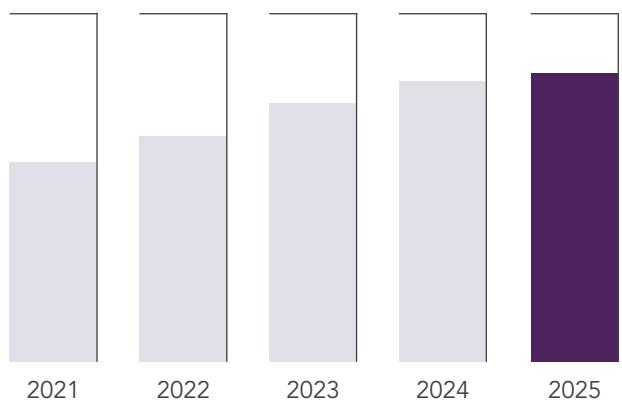
### Total Assets

(RM'000)

226,195    247,124    263,559    285,602    **291,091**

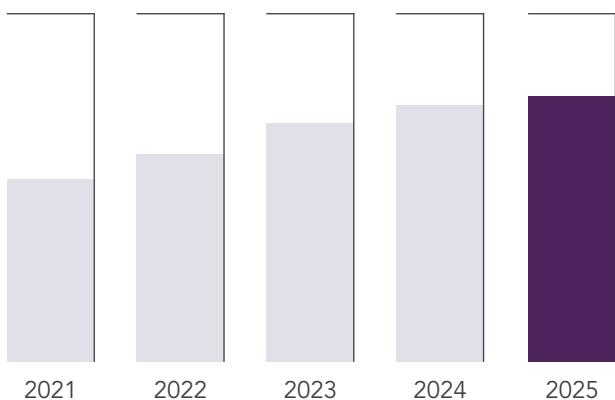
### Equity Attributable to Owners of the Company

(RM'000)

123,960    140,476    161,155    174,766    **179,146**

### Net Assets Per Share Attributable to Owners of the Company

(RM)

1.14    1.29    1.48    1.60    **1.65**

## Profile of the Directors

### **YONG ELAINE**

*Executive Chairman*

Aged **66**

Gender **F**

Nationality 

Yong Elaine was appointed to the Board of Directors of KHIB on 9 August 2004. On 1 June 2023, she was redesignated as Executive Chairman of KHIB. She obtained a Bachelor of Arts degree in Business Administration majoring in Banking and Finance from the Washington State University, USA in 1981.

During her stay in the USA, she participated in the provision of management counseling services to the business community in Washington State, USA. She started her career in 1982 as Executive Trainee at Wing On Life Assurance (H.K.) Pte Ltd in Singapore.

She currently sits on the Board of Directors of several other private limited companies but she does not hold any directorship in other public companies. Yong Elaine is the spouse of Yap Toon Choy, who is the Group Managing Director and major shareholder of KHIB. Save for the recurrent related party transactions disclosed in the Circular to Shareholders dated 29 August 2025, she does not have any conflict of interest with KHIB. She has no conviction for any offence within the past five (5) years other than traffic offences, if any.

She has attended 5 board meetings of KHIB held during the financial year ended 30 April 2025.

### **YAP TOON CHOY**

*Group Managing Director*

Aged **69**

Gender **M**

Nationality 

Yap Toon Choy was appointed to the Board of Directors of KHIB on 9 August 2004. He obtained a Bachelor of Science degree cum laude majoring in Mechanical Engineering from the Washington State University, USA in 1980.

In 1981, he became a Director of Kein Hing Industry Sdn. Bhd. ("KHI") and was subsequently appointed as the Managing Director in 1983. Since his involvement in 1981, he has envisioned that the metal stamping/forming industry would form the basic foundation of any developed country and this has spurred his dedication in this industry. Over the years in KHI, he gained valuable experience and technical know-how especially through dealings with his Japanese counterparts. With more than forty (40) years of experience in the metal stamping/forming industry, he is the driving force of the Group and is actively involved in various key aspects of the Group's management.

He currently sits on the Board of Directors of several other private limited companies but he does not hold any directorship in other public companies. Yap Toon Choy is the spouse of Yong Elaine, who is the Executive Chairman and major shareholder of KHIB. Save for the recurrent related party transactions disclosed in the Circular to Shareholders dated 29 August 2025, he does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

He has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2025.

## Profile of the Directors

### KHOR YEW CHYE

*Senior Independent Non-Executive Director*

Aged **76**

Gender **M**

Nationality 

Khor Yew Chye was appointed to the Board of Directors of KHIB on 17 March 2017. On 1 June 2023, he was appointed as Senior Independent Non-Executive Director. He obtained a Diploma in Business Administration from Malaysian Association of Productivity-Ohio University.

In 1983, he joined Sime Lease Sdn. Bhd. as a Manager looking after the business of Industrial Hire Purchase for industrial equipment and motor vehicles. He was subsequently appointed as the Managing Director of Sime Lease (M) Sdn. Bhd. and Sime Credit (M) Sdn. Bhd. in 1997. He also managed Hertz Car Rental (another subsidiary of Sime Darby Group) during the period from 2003 to 2007. Effective from 2007, he was repositioned as an Executive Director of BMW Credit Malaysia Sdn. Bhd. (formerly known as Sime Credit (M) Sdn. Bhd.) overseeing the business of Industrial Hire Purchase. He retired in 2009 but continued to serve BMW under an Advisory Contract and was tasked to set up the Office

of BMW Finance in Singapore catering for financing of industrial and motor vehicle business. The Advisory Contract was ended in 2013.

He does not hold any directorship in other public companies. He does not have any family relationship with any Director and/or major shareholders of KHIB. He does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

He is currently a member of the Audit and Risk Management Committee and the Chairman of both the Nominating Committee and Remuneration Committee of KHIB.

He has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2025.

### JANCY OH SUAN TIN

*Independent Non-Executive Director*

Aged **52**

Gender **F**

Nationality 

Jancy Oh Suan Tin was appointed to the Board of Directors of KHIB on 22 November 2022. She graduated from the University of Malaya with a Bachelor of Accounting (Honours) in 1997 and has obtained her professional qualification from the Chartered Institute of Management Accountants ("CIMA") in 2016. She is a member of the Malaysian Institute of Accountants since 2000.

She started her career in the Hong Leong Group in 1997 and later joined DuPont Malaysia Sdn. Bhd. in 2001, a US multinational company that was based in Shah Alam, Malaysia and then the KLK Group under Palm Oleo Sdn. Bhd. before joining LTKM Berhad in 2008. Her areas of experience include accounting, financial reporting, internal audit and controls, taxation and corporate related areas. She is currently responsible for the overall financial and reporting functions in LTKM Berhad Group.

She does not hold any directorship in other public listed companies. She does not have any family relationship with any Director and/or major shareholders of KHIB. She does not have any conflict of interest with KHIB. She has no conviction for any offence within the past five (5) years other than traffic offences, if any.

She is currently the Chairman of the Audit and Risk Management Committee and a member of both the Nominating Committee and Remuneration Committee of KHIB.

She has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2025.

## Profile of the Directors

### LOW KHOON BOON

*Independent Non-Executive Director*

Aged **66**

Gender **M**

Nationality 

Low Khoon Boon was appointed to the Board of Directors of KHIB on 1 June 2023. He obtained a Bachelor of Arts degree majoring in Economics from the University of Stirling, Scotland, United Kingdom in 1981.

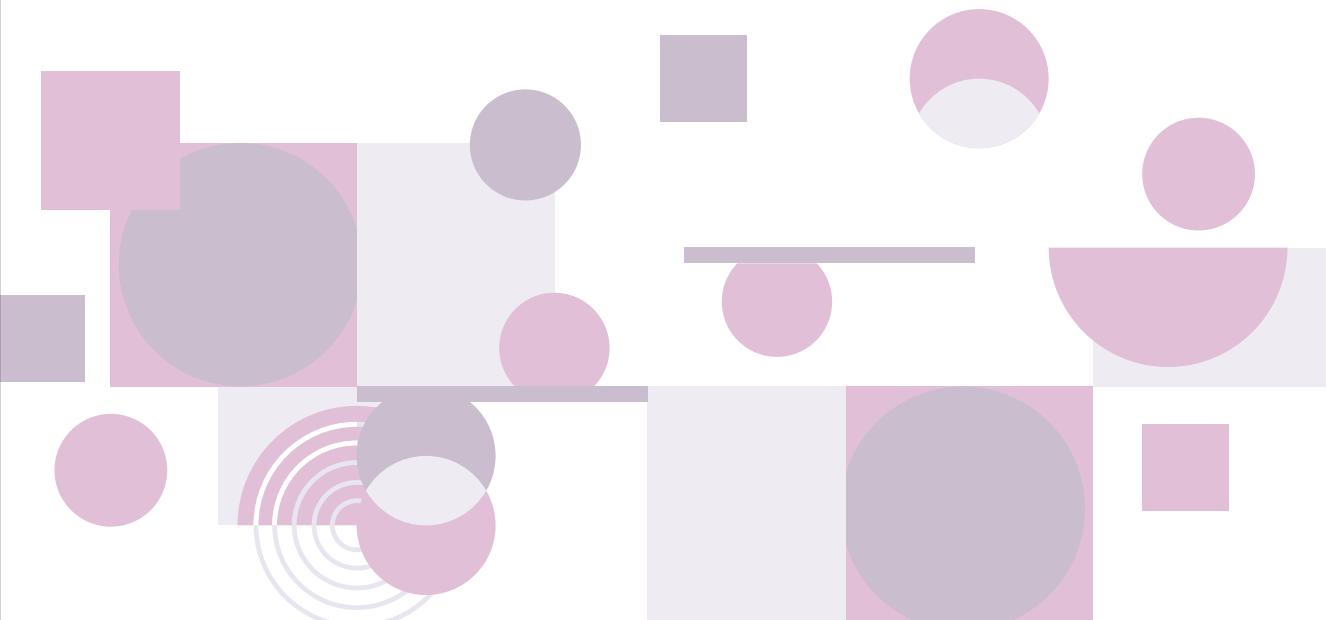
In 1982, he joined Supreme Leasing Sdn. Bhd. as Marketing Executive and after 1.5 years, he was promoted to Senior Marketing Executive. In 1987, he was a member of the team which turned around the loss-making Perkasa Finance Berhad (subsequently merged with Hong Leong Bank) to be operationally profitable after a year. He was the Assistant Manager responsible for developing new business for hire purchase and leasing. In 1989, he joined Sime Credit (M) Sdn. Bhd. as Deputy Manager to develop and expand the company from a loan portfolio of RM15 million to RM230 million before he left in 1996. In 1996, he joined Multi-Purpose Credit Sdn. Bhd. as Assistant General Manager, and later as General Manager and Director and was responsible for setting up and overall management of the hire purchase and leasing department. In 2002, he was the General Manager of both Branch Operation and Equipment Financing of Sime Credit (M) Sdn. Bhd.. He was also a member of the Management Committee. In 2007, he was the Head of Equipment Financing and

Corporate Accounts of BMW Credit (M) Sdn. Bhd. of BMW Group Financial Services. He was also a member of the Executive Committee (EXCO). During 2019-2024, he was the General Manager (Consultant) of BMW Credit (M) Sdn. Bhd. in mentoring and advising the Head of Corporate Accounts (Equipment Financing), and developing and maintaining business relationship with core customers and vendors. He was the Vice Chairman of Asset Financing and Leasing Association of Malaysia (AFLAM) from 2008-2024.

He does not hold any directorship in other public companies. He does not have any family relationship with any Director and/or major shareholders of KHIB. He does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

He is currently a member of the Audit and Risk Management Committee and a member of both the Nominating Committee and Remuneration Committee of KHIB.

He has attended 4 out of 5 board meetings of KHIB held during the financial year ended 30 April 2025.



## Profile of the Directors

### GAN POH CHAN

*Independent Non-Executive Director*

Aged **55**

Gender **M**

Nationality 

Gan Poh Chan was appointed to the Board of Directors of KHIB on 2 May 2024. He obtained a Diploma in Sales and Marketing from the Stamford College in 1990.

He is currently working since 2011 as the Country General Manager in Hyundai Merchant Marine which operates a Shipping Agency in Malaysia called HMM Malaysia Sdn. Bhd.. His role in Hyundai Merchant Marine covers the overall performance of Hyundai Merchant Marine in Malaysia and the operation of 3 offices which are in Port Klang, Penang and Johor together with 2 sub-agencies in Kuantan and East Malaysia. He attends the Quarterly Individual Branch Office performance Meeting in Penang and Johor, Half-yearly Regional Meeting on Country Budget and Performance Meeting in South East Asia Region and Singapore Regional Office, and Yearly Budget Meeting and Target Meeting in the Head Office in Seoul, South Korea. Other than this, he is a member of the task force for ESG compliance in Malaysia, Regional Cost Saving Unit in South East Asia and Domestic Inquiry Team for HR Department.

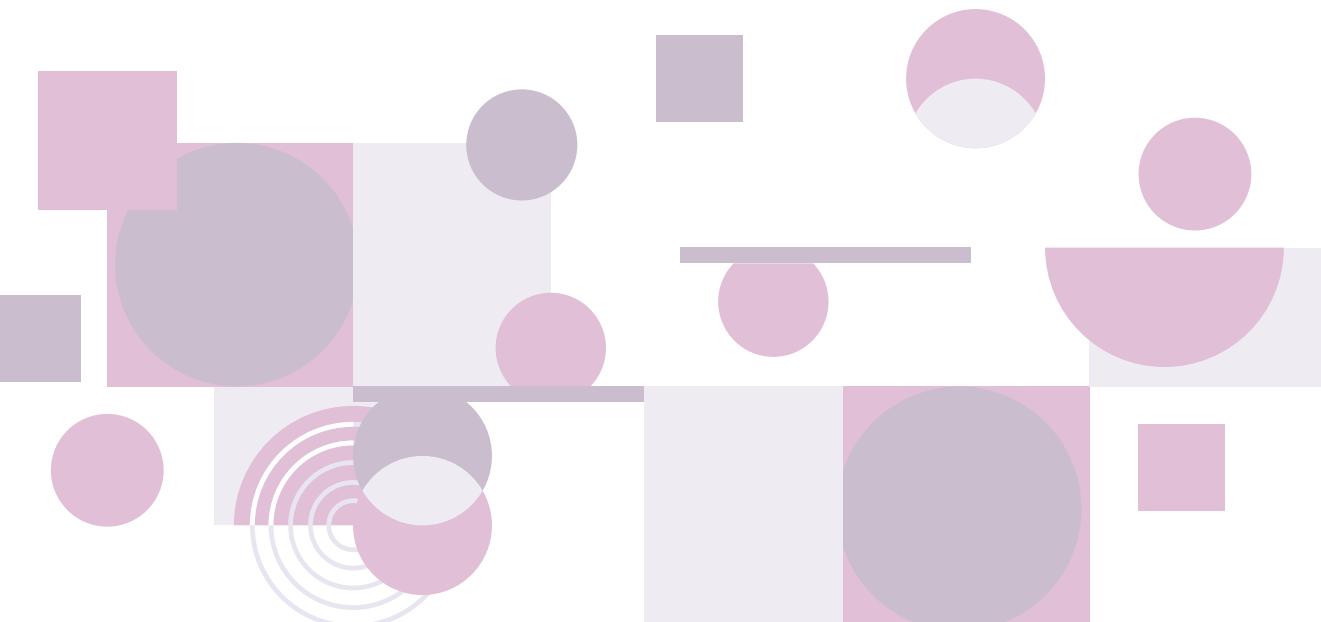
Prior to this, he was a Sales/Operation Executive from January 1990 to 30 April 1991 in Bunga Lawas Shipping Agency which provided the service of Semi Containerized Vessel. He was responsible for all

day-to-day sales matters involving Russian Agency (Blasco, Odessa and Fesco) but joined Fedric Freight as Sales Executive from May 1991 to December 1992. He was an Assistant Manager in Handling System as agent for Sinsov and ABC Lines which fully containerizes services to Europe, Gulf, Russia, USA and Australia, and was transferred to run Antwerp Bulk Carrier (ABC Lines) which was fully responsible for all commercial and operation matters from November 1994 to April 1995. He then joined the Newship Group which is a member of Kuok Singapore in 1995 and held this post until January 2011 before his current position in Hyundai Merchant Marine.

He does not hold any directorship in other public companies. He does not have any family relationship with any Director and/or major shareholders of KHIB. He does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

He is currently a member of the Audit and Risk Management Committee.

He has attended 4 out of 5 board meetings of KHIB held during the financial year ended 30 April 2025.



## Profile of the Key Senior Management

### **YAP TOON CHOY**

*Group Managing Director*

Aged: 69

Gender: Male

Nationality: Malaysian

Yap Toon Choy serves as Group Managing Director of KHIB since 9 August 2004. He also serves as the Managing Director of KHI, a wholly-owned subsidiary of KHIB since 1983 and the General Director of all the subsidiary companies incorporated in Vietnam. He gained valuable experience and technical know-how over the past forty (40) years especially through dealings with his Japanese counterparts.

He is responsible for various key aspects of the KHIB Group management in areas such as production and manufacturing engineering, quality assurance, marketing and new product planning, new market opportunities, purchasing, overall coordination and implementation of the Group strategies in Malaysia and Vietnam. He provides leadership and vision towards the growth of KHIB Group.

### **SHINGO MURAMOTO**

*Chairman of Kein Hing  
Muramoto (Vietnam) Co., Ltd.  
("KHMV")*

Aged: 78

Gender: Male

Nationality: Japanese

Shingo Muramoto is the Chairman and a major shareholder of KHMV in which he holds 20% equity interest. He obtained a degree in Bachelor of Economy from Kounan University Osaka, Japan. He began his career with IBM Corp. Tokyo, Japan in Marketing Department in 1970. He had held various positions throughout the twenty (20) years with IBM Corp. Tokyo, Japan. His last position held was IT Manager before he left IBM Corp. Tokyo, Japan in 1990.

Thereafter, he joined Muramoto Group at its headquarter in Kobe, Japan and was appointed as a Director. In 2000, he was appointed as the Managing Director of Muramoto Group before he retired in 2014. His vast experience and supreme business acumen had contributed to the growth of KHIB Group since he was appointed as an Independent Non-Executive Director of KHIB on 1 April 2005. He resigned from the Board of Directors of KHIB on 23 November 2018 and currently he focuses on marketing and business development for KHMV and Kein Hing Thai Nguyen (Vietnam) Co., Ltd.

### **YONG ELAINE**

*Executive Chairman*

Aged: 66

Gender: Female

Nationality: Singaporean

Yong Elaine serves as Executive Director of KHIB since 9 August 2004. On 1 June 2023, she was redesignated as Executive Chairman of KHIB. She also serves as the Executive Director of KHI since 1984. She has more than 30 years' experience in dealing with various bankers and leasing companies for funding and treasury management. With her finance background and the relevant experience, she has been actively involved in corporate finance of KHIB, core treasury functions in areas of cash management, planning and control, and financing activities of KHI over the past 30 years.

She also oversees the Human Resource Management, amongst others, the implementation of human resource programs and policies, and provision of consulting services relating to the various aspects of human resource development and management for KHI.

## Profile of the Key Senior Management

### KOK MUN CHOON

*Financial Controller*

Aged: 54

Gender: Male

Nationality: Malaysian

Kok Mun Choon was appointed as the Financial Controller of KHI on 2 January 2008. He was admitted as a member of the Association of Chartered Certified Accountants ("ACCA") on 14 November 1998 and has subsequently been awarded ACCA Fellowship on 15 October 2003. He is a member of the Malaysian Institute of Accountants since 9 June 1999.

He began his career with Moores Rowland, an audit firm in 1995 as an audit assistant and was later promoted to audit senior until he left in 1999. Later in the same year, he joined a public listed company that was principally engaged in food service industry as a Manager of Finance & Accounts and subsequently, he was promoted to Senior Manager where he gained vast experience through involvement in various corporate exercises, group reporting, audit and tax. In September 2006, he joined another public listed company whose principal activities were to carry on the business of operation, maintenance and management of water treatment facilities as a Senior Manager of Finance & Accounts and was also assigned to assist the consolidation of financial statements and other corporate tasks under the corporate finance division of the holding company.

He does not hold any directorship in public companies and KHIB. He does not have any family relationship with any director and/or major shareholder of KHIB. He also does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

### ANA LOW

*Senior Manager, Purchasing*

Aged: 56

Gender: Female

Nationality: Malaysian

Ana Low joined KHI and has been working under Purchasing Department since 19 October 1992. Currently, she is the Senior Manager who is primarily responsible for sourcing of raw materials, inventory control and supply chain management.

With her decades of experience in Purchasing, she is also responsible for the implementation of the policies, standards and procedures particularly on the procurement of raw materials from various sources, local and overseas steel service centers. Throughout her 33 years with KHI, she has been coordinating various meetings and discussions with customers, local and overseas suppliers and the Authorities particularly for the import of steel materials.

She does not hold any directorship in public companies and KHIB. She does not have any family relationship with any director and/or major shareholder of KHIB. She also does not have any conflict of interest with KHIB. She has no conviction for any offence within the past five (5) years other than traffic offences, if any.

### CHYE NYUK FONG

*Senior Manager, Production*

Aged: 53

Gender: Female

Nationality: Malaysian

Chye Nyuk Fong joined KHI on 15 May 2000 and worked under the Production Control Department. She obtained Diploma in Technology (Material Engineering) from TAR College and Bachelor of Science (Physics) from Universiti Putra Malaysia. Currently, she is holding the position as Senior Manager of Production Management Control (PMC) Department under KHI.

She is primarily responsible for production, material replenishment planning and also managing manpower, utilisation of machines and other resources in the production department. She is also assigned to specifically be in charge of CNC precision machining and together with the engineering team, she is involved in developing new machining methods and engineering processes for KHI.

She does not hold any directorship in public companies and KHIB. She does not have any family relationship with any director and/or major shareholder of KHIB. She also does not have any conflict of interest with KHIB. She has no conviction for any offence within the past five (5) years other than traffic offences, if any.

## Chairman's Statement



“

**Dear Valued Shareholders,**

On behalf of the Board of Directors of Kein Hing International Berhad ("KHIB"), I am pleased to present to you the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 30 April 2025.

”

### OPERATING ENVIRONMENT

The International Monetary Fund ("IMF") had on 14 April 2025 released its April 2025 World Economic Outlook ("WEO") which mentioned that global growth is projected to drop to 2.8% in 2025 and 3.0% in 2026, down from 3.3% for both years in the January 2025 WEO Update, corresponding to a cumulative down-grade of 0.8%, and much below the historical (2000-19) average of 3.7%. The swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity.

(Source: *World Economic Outlook April 2025*)

In Malaysia, the economy registered a strong growth of 5.1% in 2024 (2023: 3.6%) with a moderate headline and core inflation both averaged at 1.8% (2023: 2.5% and 3%, respectively). The ringgit ended the calendar year 2024 2.7% higher against the US Dollar. From a sectoral perspective, services and manufacturing remained the primary growth drivers, with all sectors recording higher growth relative to 2023 due to improved domestic and external conditions.

(Source: *Bank Negara Malaysia Annual Report 2024, Economic and Monetary Review 2024 and Financial Stability Review for Second Half of 2024*)



Group Revenue

**RM327.9 million**

(FY2024: RM298.6 million)

▲ 10%



Net Profit

**RM12.1 million**

(FY2024: RM15.1 million)

▼ 20%



Net Assets

**RM179.1 million**

(As at 30 April 2024: RM174.8 million)

▲ 2.5%

## Chairman's Statement

### FINANCIAL REVIEW

The Group registered a revenue of RM327.9 million for the financial year ended 30 April 2025 compared with RM298.6 million achieved last year, representing an increase of RM29.3 million or 10%. The improvement in revenue was mainly attributed to stronger customer demand for parts used in printer products and home appliances including screen display products.

Despite higher revenue, the Group made a Profit Attributable to Owners of the Company ("Net Profit") of RM12.1 million only for the financial year compared with the Net Profit of RM15.1 million last year, representing a decrease of RM3.0 million or -20%, mainly due to the recognition of net foreign exchange loss amounting to RM2.1 million (2024: net foreign exchange gain of RM3.9 million), and also the higher profit attributable to non-controlling interests.

With Net Profit, the Equity Attributable to Owners of the Company ("Net Assets") increased from RM174.8 million as at 30 April 2024 to RM179.1 million as at 30 April 2025, representing a growth of RM4.3 million or 2.5%. Thus, the Net Assets per share also increased from RM1.60 as at 30 April 2024 to RM1.65 as at 30 April 2025.

### BUSINESS OUTLOOK AND PROSPECTS

In 2025, the Malaysian economy is projected to grow between 4.5% - 5.5%. In the face of external uncertainties, domestic demand is expected to remain Malaysia's anchor of growth amid steady private sector expenditure. More restrictive trade policies, subsequent retaliatory measures, and the potential escalation of geopolitical conflicts could disrupt global trade, and in turn affect Malaysia's trade performance.

(Source: Bank Negara Malaysia Annual Report 2024, Economic and Monetary Review 2024 and Financial Stability Review for Second Half of 2024)



Subsequently in June 2025, the World Bank downgraded Malaysia's GDP growth for 2025 from the 4.5% estimated in January 2025 to 3.9% for the entire 2025.

Kein Hing Industry Sdn. Bhd. ("KHI") which primarily represents Malaysia Operation of the Group expects that it may encounter fluctuation in customer demand in 2025, thus affecting the growth of its revenue. In the meantime, KHI continues to work on various measures to improve its productivity and efficiency and reduce fixed costs while maintaining its high standard of engineering services to cater for customer needs.

In Vietnam, its economy experienced strong growth in 2024, with GDP expanding by 7.1%, exceeding Vietnamese government's target of 6.0 - 6.5%. This growth was driven by strong exports and robust foreign investment inflows. In June 2025, the World Bank projected Vietnam's GDP growth for 2025 to be reduced from 6.8% estimated previously to 5.8% due to increased trade policy uncertainty globally.

Despite economic uncertainty and downside risks, there is still a potential growth in customers' demand for parts and metal components produced by Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV") in view of KHMV's vast engineering skills that can cater for most of MNC customer needs. The Company had on 10 June 2025 entered into a Conditional Transfer Agreement for the acquisition of 5% equity interest in KHMV from Mr Shingo Muramoto for a cash consideration of USD400,000, and the acquisition was completed on 23 July 2025. KHMV will continue to look for new opportunities in the next one to two years in order to sustain and grow its current level of revenue to greater height. With this, it is expected that the Vietnam Operation under KHMV will contribute significantly to the Group's revenue in the coming years.

### DIVIDENDS

The Board of Directors of the Company has proposed a First and Final Single Tier Dividend of 2.5 sen per share amounting to RM2,722,500 for the financial year ended 30 April 2025 which shall be tabled for approval by the Shareholders in the forthcoming Twenty-Second (22<sup>nd</sup>) Annual General Meeting to be held on Friday, 10 October 2025.

### ACKNOWLEDGEMENT

On behalf of the Board, we would like to convey our appreciation to all the Directors, management and employees for their strong commitment and contribution towards the continued success of KHIB Group. We would also like to take this opportunity to thank our Shareholders, customers, business associates, partners and the relevant Government authorities for their continued support.

**Yong Elaine**  
**Executive Chairman**  
18 August 2025  
Seri Kembangan

## Management Discussion and Analysis

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The Group is a champion of “Scientific Operation and Multiskills in Manufacturing Management”, offering high quality products throughout the Southeast Asia region.

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### OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

#### Company profile

Kein Hing International Berhad (“KHIB”) was incorporated in Malaysia on 23 May 2003 under the name of Kein Hing International Sdn. Bhd.. It was converted to a public limited company on 22 August 2003 and assumed its present name. KHIB shares were listed and quoted on the official list of the Second Board of Bursa Malaysia Securities Berhad on 6 October 2004. Subsequently, KHIB was listed on the Main Market of Bursa Malaysia Securities Berhad following the merger of Main and Second Boards in 2009. KHIB is principally engaged in investment holding.

Kein Hing Industry Sdn. Bhd. (“KHI”) is the major and wholly-owned subsidiary of KHIB. KHI was incorporated on 14 March 1981 and in the early years of establishment it produced casings of florescent lamps and air conditioner parts. Over the years, KHI managed to carve a niche in the areas of sheet metal forming, precision machining, component assembly and even design and fabrication of tooling in-house. Notably, KHI was also one of the pioneer local companies to venture into precision cold forging technology. In 2006, KHI moved a step forward to manufacture and sale of consumer products namely gas appliances under its own brand of Zenne.

Kein Hing Muramoto (Vietnam) Co., Ltd. (“KHMV”) was incorporated on 28 August 2003 in Vietnam as a

multi-member limited liability company. KHMV became a 51%-owned subsidiary of KHIB upon completion of the transfer of 51% of the Charter Capital in KHMV from KHI to KHIB on 6 September 2004. On 9 October 2018 and 23 July 2025, KHIB completed the acquisition of an additional 24% and 5% equity interest in KHMV respectively, thus making KHMV an 80%-owned subsidiary of KHIB. KHMV which is in substance an expansion and extension of KHI’s core business has utilised the engineering capabilities of KHI to build its business with strong revenue growth in Vietnam over the years.

Kein Hing Thai Nguyen (Vietnam) Co., Ltd. (“KHTV”) was formerly a wholly-owned subsidiary of KHIB in Vietnam which was incorporated on 11 November 2014 as a single-member limited liability company. On May 2023, KHIB entered into a Transfer Agreement with KHMV for the transfer of the entire Charter and Contributed Capital in KHTV to KHMV. The Transfer of Capital was completed on 16 June 2023, thus making KHTV a wholly-owned subsidiary of KHMV. KHTV is principally engaged in sheet metal forming, precision machining, manufacturing and fabrication of tools and dies and assembly of components, and it commenced business operation in May 2018. KHTV is part of the Group’s overseas expansion strategy in view of the strong growth in the supporting industry in Vietnam.

Kein Hing Muramoto (Hung Yen) Joint Stock Company (“KHMH”) is a 51%-owned subsidiary of KHMV which was incorporated on 20 January 2025 in Vietnam as a limited liability joint stock company. KHMH will be principally engaged in sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries. KHMH has not yet commenced business operation other than the acquisition of an industrial land use right in Vietnam in February 2025.

#### Vision

The Group is a champion of “Scientific Operation and Multiskills in Manufacturing Management”, offering high quality products throughout the Southeast Asia region.



## Management Discussion and Analysis

With proven track record, the Group welcomes all business partners regardless of whether they are customers, suppliers or investors to come together collectively to strive toward its vision and achievement.

### Principal activities

The Group's core business segment comprises sheet metal forming, precision machining, component assembly and manufacture and sale of gas appliances which contribute 98.4% (2024: 98.0%) to the Group's revenue. The trading in Zenne gas appliances and other home appliances is another business segment but it is not significant as it only contributes 1.6% (2024: 2.0%) to the Group's revenue. The Group currently focuses more on manufacturing of parts, assembly of components and engineering services. The Group supplies parts/metal components which are used for assembly of various products by its customers as follows:

	<b>Components and devices</b>
	Components for screen display or television, printer, copier, phone system, camera, etc.
	<b>Home appliances</b>
	Components for ceiling fan, electric fan, ventilation fan, refrigerator, washing machine, air-conditioning compressor, gas cooker, etc.
	<b>Automotive</b>
	Components for air bag, safety belt system, car shock absorber, car body parts, etc.
	<b>Electrical</b>
	Components for industrial and household circuit breaker
	<b>Audio visual</b>
	Chassis and frame for audio products

The high precision-machined components and other metal parts manufactured by the Group differ in shape, size, production method and aesthetic appearance. It is targeted at customers mainly in the home appliances, electrical and electronic component and device sector and automotive industry.

### Manufacturing bases

The Group's manufacturing bases are principally located in Malaysia and Vietnam.

In Malaysia, there are four factories under KHI which are individually situated within Seri Kembangan, Selangor, with a combined land area of approximately 6 acres. The total workforce in Malaysia is about 500 employees.

The manufacturing bases in Vietnam are situated in three (3) different locations. KHMV's main factory and its branch factory are located at the Thang Long Industrial Park, Hanoi and Vietnam Singapore Industrial Park ("VSIP"), Hai Phong City respectively. The 3<sup>rd</sup> factory in Vietnam which is owned by KHTV is situated in Diem Thuy Industrial Park, Thai Nguyen. KHTV factory basically caters for the expansion plan of KHMV in Vietnam; thus spillover of customer demand from KHMV to KHTV will continue in the coming years.

During the financial year, KHMV branch factory at VSIP has embarked on the construction of a new warehouse with a built-up of approximately 10,764 square feet. This new warehouse which is expected to be completed in September 2025 will cater for new items awarded by the existing customers.

The total industrial land area owned by KHMV and KHTV is approximately 12 acres. The total combined workforce of these three (3) factories is about 600 employees and it is expected to increase in the coming years in view of the potential growth in revenue from the existing and new customers.



“

KHMV branch factory at VSIP has embarked on the construction of a new warehouse with a built-up of approximately 10,764 square feet. This new warehouse which is expected to be completed in September 2025 will cater for new items awarded by the existing customers.”

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## Management Discussion and Analysis

### Key markets

The bulk of parts manufactured by the Group is mainly sold to foreign customers based in Malaysia and Vietnam respectively with their country headquarters located in Japan.

The revenue by geographical segments or location of customers is analysed as follows:

(In RM'000)	2025	%	2024	%
Malaysia	110,173	34%	105,204	35%
Vietnam	187,347	57%	160,295	53%
America	17,911	6%	20,762	7%
Europe	4,904	1%	4,793	2%
Others	7,597	2%	7,517	3%
<b>Consolidated Total</b>	<b>327,932</b>	<b>100%</b>	<b>298,571</b>	<b>100%</b>

### Strategies in creating value

As a business entity, the Company's main objective is to enhance shareholders' value through organic growth and various strategies in order to provide a sustainable return on investment for the Shareholders of the Company.

The Group has set out long-term plans to strengthen its position and broaden its revenue potential through the following:



Over the years, the Group has set up three (3) factories in Vietnam under KHMV and KHTV with the aim to establish strong and well-connected manufacturing bases in Northern Vietnam, mainly servicing the existing and potential

multinational corporations ("MNCs") which are situated within the industrial parks located in Hanoi, Hai Phong City and Thai Nguyen Province.

In Malaysia, the Group invested and will continue to invest in new machines and equipment with newer technology that can enhance its manufacturing capability and engineering services particularly in production and manufacturing of parts for the automotive industry. The car parts/accessories segment has been providing tremendous opportunities to the fabricated metal products industry as ASEAN is a key strategic automotive market. Therefore, KHI will continue to focus and improve its engineering capabilities for production and manufacturing of parts used in car air bag system, safety belt system, car shock absorber and other car body parts as its future growth strategy.

The successful relationship with MNCs has also demonstrated the Group's ability to acquire and achieve the necessary standards and quality required by MNCs. This is exemplified by the fact that most of the Group's MNC customers have maintained more than 20 years' relationship with KHI.



## Management Discussion and Analysis

### 5-Year financial highlights

Summary of the Group's financial performance for the past five (5) financial years ended 30 April are as follows:

(In RM'000)	2025	2024	2023	2022	2021
<b>Revenue</b>	327,932	298,571	334,921	276,711	253,108
Results from operating activities	22,286	22,237	32,449	25,814	19,370
Finance income	1,333	1,545	474	240	453
Finance costs	(3,388)	(4,378)	(3,366)	(3,156)	(3,081)
<b>Profit before tax</b>	20,231	19,404	29,557	22,898	16,742
Tax expense	(4,500)	(3,421)	(4,681)	(3,629)	(3,357)
Profit for the year	15,731	15,983	24,876	19,269	13,385
<b>Profit attributable to:</b>					
Owners of the Company	12,134	15,076	22,304	15,785	11,890
Non-controlling interests	3,597	907	2,572	3,484	1,495
	15,731	15,983	24,876	19,269	13,385
Basic Earnings per share (sen)	11.14	13.84	20.48	14.49	10.92
<b>Equity attributable to Owners of the Company</b>	179,146	174,766	161,155	140,476	123,960
<b>Total assets</b>	291,091	285,602	263,559	247,124	226,195
<b>Loans and borrowings *</b>	42,220	52,458	45,889	47,396	50,060
Debt/Equity (%)	24%	30%	28%	34%	40%
Net assets per share (RM)	1.65	1.60	1.48	1.29	1.14
Dividend per ordinary share (sen)	2.5	2.0	1.5	1.0	-

\* including lease liabilities

### Share performance

Summary of KHB's share performance for the financial year ended 30 April 2025 is as follows:

Month	High RM	Low RM	Close RM	Transaction Volume
May 2024	1.430	1.270	1.400	1,070,200
June 2024	1.500	1.380	1.410	1,311,500
July 2024	1.580	1.390	1.490	1,737,500
August 2024	1.530	1.350	1.410	854,400
September 2024	1.470	1.350	1.430	276,200
October 2024	1.460	1.380	1.420	146,800
November 2024	1.440	1.320	1.390	37,700
December 2024	1.520	1.300	1.520	695,700
January 2025	1.520	1.380	1.420	374,200
February 2025	1.440	1.330	1.420	83,700
March 2025	1.420	1.290	1.380	335,700
April 2025	1.380	1.160	1.240	272,300
<b>Year High (RM)</b>				<b>1.580</b>
<b>Year Low (RM)</b>				<b>1.160</b>
<b>Year Close (RM)</b>				<b>1.240</b>
<b>Market Capitalisation as at 30 April 2025 (RM)</b>				<b>135,035,995</b>

## Management Discussion and Analysis

### REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

#### Performance indicators

Summary of the Group's financial performance for the financial year ended 30 April 2025 is as follows:

(In RM'000)	2025	2024	Variance	%
<b>Revenue</b>	327,932	298,571	29,361	10%
<b>Profit before tax ("PBT")</b>	20,231	19,404	827	4%
<b>Profit attributable to:</b>				
Owners of the Company	12,134	15,076	(2,942)	-20%
Non-controlling interests	3,597	907	2,690	297%
<b>Profit for the year</b>	15,731	15,983	(252)	-2%
<b>Earnings before interest, tax, depreciation and amortisation ("EBITDA")</b>	34,400	35,513	(1,113)	-3%
GP margin (%)	19.4%	18.8%	0.6%	3%
PBT margin (%)	6.2%	6.5%	-0.3%	-5%
EBITDA margin (%)	10.5%	11.9%	-1.4%	-12%
Earnings per share (sen)	11.14	13.84	(2.70)	-20%
<b>Equity attributable to owners of the Company</b>	179,146	174,766	4,380	3%
<b>Total assets</b>	291,091	285,602	5,489	2%
<b>Loans and borrowings *</b>	42,220	52,458	(10,238)	-20%
Debt/Equity (%)	24%	30%	-6%	-20%
Net assets per share (RM)	1.65	1.60	0.05	3%

\* including lease liabilities

#### Revenue

The Group revenue improved by RM29.3 million or 10% as discussed below:

- Revenue from Vietnam Operation improved significantly from RM160.0 million last year to RM187.2 million this year, representing an increase of RM27.2 million or a growth of 17%, mainly attributed to the surge in demand for parts used in printer products and home appliances.
- For Malaysia Operation, it managed to maintain its level of revenue with a slight improvement of RM2.1 million or 2% at RM140.7 million compared with RM138.6 million last year, mainly contributed by higher sales of parts for screen display products.

#### Profit before tax and expenses

Despite a remarkable improvement in revenue, the Group reported a slightly higher PBT of RM20.2 million only for the financial year compared with RM19.4 million last year, representing an increase of RM0.8 million or 4%. Below are some further discussions on the PBT and expenses:

- Malaysia Operation recognised a total net foreign exchange loss of RM3.1 million (2024: net foreign exchange gain of RM3.6 million) due to strengthening of Ringgit against the USD dollar; thus resulting in an adverse variance of RM6.7 million. There were also changes in sales mix where revenue from automotive segment which normally yields higher margin declined due to softer demand, thus causing a reduction of 2.4% in GP margin. Due to these adverse factors, the PBT from Malaysia Operation decreased from RM13.7 million last year to RM2.3 million, representing a decrease of RM11.4 million or -83%.
- On the other hand, Vietnam Operation achieved a much higher revenue by RM27.2 million, thus the PBT increased from RM5.7 million last year to RM17.9 million this year, representing a vast improvement of RM12.2 million or 214%.

## Management Discussion and Analysis

### Total assets

The acquisition of property, plant and equipment, right-of-use assets and investment properties increased the Group's total assets by RM5.5 million only from RM285.6 million last year to RM291.1 million as at 30 April 2025 mainly due to the effect of movements in exchange rates. The capital expenditure incurred today (including the right-of-use assets) will expand and enhance the Group's production capacity and engineering capability to cater for future business, cost efficiencies, innovation and engineering advancement for the Group in the long term. Whereas investment properties are held to earn rental income and for capital appreciation.

The Group's cash and cash equivalents (including deposits placed with licensed banks which have been reclassified as other investments during the financial year under review) maintained at above RM80 million with a slight decrease from RM82.4 million last year to RM80.2 million as at 30 April 2025 mainly due to the acquisition of right-of-use assets and investment properties under construction of RM7.4 million and RM3.2 million respectively. The Group's prudent management is always to maintain sufficient cash and available funds through an adequate amount of committed credit facilities.

### Loans and borrowings (including lease liabilities)

The Group's loans and borrowings (including lease liabilities) reduced from RM52.4 million as at 30 April 2024 to RM42.2 million as at 30 April 2025, representing a decrease of RM10.2 million mainly due to the repayment of term loans and hire purchase liabilities. With this, the Group gearing ratio also improved from 0.30 times as at 30 April 2024 to 0.24 times as at 30 April 2025.

The Group remains prudent and aims at maintaining the flexibility in funding by keeping committed credit lines available. In addition, the Group ensures that the amount of debt maturing in any one year is not beyond its mean to repay and/or refinance.

### Financial position

The equity attributable to owners of the Company ("Net Assets") increased from RM174.8 million as at 30 April 2024 to RM179.1 million as at 30 April 2025, representing an increase of RM4.3 million or 2.5% only despite a profit attributable to owners of the Company of RM12.1 million mainly due to the adverse effect of foreign currency translation differences for foreign operations and dividend paid during the financial year under review. Accordingly, the Net Assets per share increased from RM1.60 as at 30 April 2024 to RM1.65 as at 30 April 2025.

### Known trends and events

Global growth outlook remains subject to downside risk mainly due to a substantial rise in trade barriers such as the harsh US tariff policies and the pervasive effects of an uncertain global policy environment.

On the upside, uncertainty and trade barriers could diminish if major economies reach lasting agreements that address trade tensions.

Against this backdrop, the Group will continue to focus on its core business of metal stamping while looking into cost efficiencies including some internal reorganisation, re-layout of production lines and changing of process to work in a better way to reduce fixed costs.



## Management Discussion and Analysis

### REVIEW OF OPERATING ACTIVITIES

#### Operating activities

The summary of the Group's revenue by business segment and geographical location is analysed as follows:

(In RM'000)	2025	%	2024	%
<b>Manufacturing</b>				
- Components and devices	160,443	49%	133,920	45%
- Home appliances	72,879	22%	62,153	21%
- Automotive	74,612	23%	81,311	27%
- Electrical	5,038	1%	5,783	2%
- Audio visual	2,482	1%	2,378	1%
	<b>315,454</b>	<b>96%</b>	<b>285,545</b>	<b>96%</b>
<b>Trading</b>	5,088	2%	5,740	2%
<b>Sales of scrap</b>	7,390	2%	7,286	2%
<b>Total Revenue</b>	<b>327,932</b>	<b>100%</b>	<b>298,571</b>	<b>100%</b>
<b>(In RM'000)</b>	<b>2025</b>	<b>%</b>	<b>2024</b>	<b>%</b>
Malaysia operation	140,762	43%	138,538	46%
Vietnam operation	187,170	57%	160,033	54%
<b>Total Revenue</b>	<b>327,932</b>	<b>100%</b>	<b>298,571</b>	<b>100%</b>

The Group is principally involved in, inter alia, sheet metal forming, precision machining and component assembly.

#### Malaysia operation

During the financial year under review, KHI invested a total capital expenditure of approximately RM4.0 million mainly for enhancements in engineering capabilities and precision measurement technology. The demand for parts used in screen display products improved significantly during the financial year under review. Thus, KHI managed to maintain its level of revenue despite softer demand for parts used in automotive industries.

In view of economic uncertainty and fluctuation in customer demand, KHI has been embarking on various fixed cost reduction measures, continual review of manufacturing methods and inventory management system to achieve higher productivity and greater efficiency to cushion the adverse financial impact due to uncertainties and downturn risks. In addition, KHI continues to provide training to employees based on its various engineering methodologies which are developed in-house in order to meet the stringent standards of quality set by the Group's MNC customers. KHI has retained a diversified workforce with various background, knowledge, skill and experience by implementing staff retention programs such as flexible remuneration packages, Child Care Centre and pre-schools for children of the employees, various staff activities such as water sports day and other welfare and fringe benefits. Therefore, KHI can still attract new talents to join while retaining the existing pool of experienced and skilled employees.

#### Vietnam operation

In Vietnam, through KHMV and KHTV, they have built strategic manufacturing bases with factories equipped with high standard of engineering which provide quality service level 1 to various MNC customers. Vietnam Operation mainly manufactures parts for the products of printer, refrigerator and washing machine. For the financial year, Vietnam Operation invested a total capital expenditure of approximately RM4.8 million mainly for enlarging the production capacity in order to be prepared for new items awarded and to be awarded by its customers in the coming 1-2 years. The KHTV's factory will continue to cater for the spillover of KHMV's increased customer orders and new items awarded by the new customers of KHMV. Whereas, the new warehouse of KHMV branch factory at VSIP which construction is expected to be completed in September 2025 will cater for the new items awarded by the existing printer product makers.

## Management Discussion and Analysis

### ANTICIPATED OR KNOWN RISKS

#### Competition risk

The Group faces competition from various competitors, which include Malaysian public listed and private companies in its businesses and overseas competitors from Japan, China, South Korea, Taiwan and Thailand. Nevertheless, the Group is confident of its capability in facing the competition as it has the requisite engineering expertise and know-how and a good track record of meeting the stringent requirements of its quality conscious MNC customers. The Group continuously strives to manufacture quality products, ensure timely delivery and excellent engineering services, increase its productivity and efficiency through investment in machinery and precision measurement equipment with newer technology, implementation of various manufacturing methods and better inventory management system. However, there can be no assurance that the Group will be able to maintain and/or expand its market share in its local and overseas operations in the event of customers changing their demand to competitor suppliers.

#### Investment risk

The Group will invest in new machines and construction of new factories and warehouses which it believes to be beneficial to its business or is synergistic with the Group's current manufacturing operations. Although the Group exercises prudence in its decision-making, there is always the potential risk that the returns from these investments may have longer payback period than expected or long gestation period. Although the Group will mitigate its investment risks by exercising due care in the evaluation of its investments, there can be no assurance that all its future investments will yield positive or immediate returns to the Group and would not have any adverse material effect on its future financial performance in the event of unforeseen changes brought about by customers responding to Industry 4.0, digitalisation and artificial intelligence (AI).

#### Dependency on foreign workers risk

The Group core business of sheet metal forming, precision machining, component assembly and manufacture and sale of gas appliances in Malaysia are considered labour intensive. Therefore, the Group believes that its continued success will depend, to some extent, upon the abilities and continued efforts of its existing production workforce which comprises mainly foreign workers. The constraint in labour supply in Malaysia and the shortage of workers as a consequence of the difficulties in recruiting foreign workers may adversely affect the Group's performance and continuing ability to compete effectively in the industry. Although the Group seeks to mitigate this risk through, inter alia, implementation of various manufacturing systems, semi and fully automated



operations, outsourcing, training and retention of skilled labour, various staff activities and employee benefits, there can be no assurance that this risk will not have a material adverse effect on the Group's business and performance in Malaysia in the event of shortage of labour and human resource related problems.

### FORWARD-LOOKING STATEMENT

#### Trend and outlook

Generally, the precision metal forming industry is highly competitive and fragmented, having a large number of players servicing different industries such as electrical and electronics, automotive, industrial equipment, machinery and household appliance sectors. Most of the players are well established in the market. Competition is mainly based on price, timely delivery, capacity and capability. The level of competition also depends on the competitiveness of the industries that the stamping players supply to.

Global growth could turn out to be lower if trade restrictions escalate or if policy uncertainty persist, which could also result in a build-up of financial stress. Other downside risks include weaker-than-expected growth in major economies with adverse global spillovers, worsening geopolitical conflicts and instability, and extreme weather events.

## Management Discussion and Analysis



In Malaysia, its real GDP for the first quarter 2025 (Q1 2025) grew by 4.4%, outstripping the 4.2% recorded in the corresponding quarter last year – driven by resilient domestic demand and sustained recovery across key sectors such as services, manufacturing, and construction.

(Source: Press Release dated 22 May 2025 by the Ministry of Finance Malaysia)

In view of global economic challenges and uncertainties, the Group will continue to review and implement cost reduction measures in tandem with the level of revenue coupled with management efforts to improve the manufacturing methods and inventory management system for higher productivity, greater efficiency and better inventory management to reduce cycle time which will translate into overall savings in manufacturing and production costs.

### Basis of preparation

Certain statements in this Management Discussion and Analysis are based on historical data which may not be reflective of the future results and others are forward-looking in nature which is subject to uncertainties and contingencies. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Group's actual results, performance, or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

### Dividend Policy

The Board of Directors has proposed a first and final single-tier dividend of 2.5 sen per ordinary share amounting to RM2,722,500 in respect of the financial year ended 30 April 2025 (2024: 2.5 sen per ordinary share totaling RM2,722,500) for the shareholders' approval at the forthcoming 22<sup>nd</sup> Annual General Meeting. The dividend payout ratio is approximately 22% based on the profit attributable to owners of the Company of approximately RM12.1 million for the financial year ended 30 April 2025.

In view of significant uncertainties surrounding the business outlook and downside risks stemming from both economic and geopolitical conflicts globally, the Company has not adopted any dividend policy in order to conserve resources and focus on its core business operation and expansion opportunity if any.

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In view of global economic challenges and uncertainties, the Group will continue to review and implement cost reduction measures in tandem with the level of revenue.

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# Sustainability Statement



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Our sustainability policy is founded on strong core values based on our understanding that a sustainable business refers to the role our Group plays in our world in terms of corporate social responsibility ("CSR"), or corporate citizenship or shared value.

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## MANAGING DIRECTOR'S STATEMENT

Our sustainability policy is founded on strong core values based on our understanding that a sustainable business refers to the role our Group plays in our world in terms of corporate social responsibility ("CSR"), or corporate citizenship or shared value. They all refer to the impacts that our business has on the society, the environment and the governance considerations, and the impacts that the society, the environment and the governance considerations have on our business. Our core values have withstood the test of time and continue to turn challenges into opportunities in the face of ever-changing governmental, governance, social and environmental disruptions and were reflected previously in the CSR, followed by the Sustainability Statement, the Enhanced Sustainability Statement pursuant to the amended sustainability reporting framework dated 26 September 2022 ("2022 SRF") and now the Sustainability Reporting Requirements in accordance with the Amendments to Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Main LR") in relation to Sustainability Reporting Requirements and Other Enhancements dated 23 December 2024. Pending the effective date of the Sustainability Reporting Requirements, our Group continues to comply with the 2022 SRF with modifications as set out in the Practice Note 9A of the Main LR, when preparing the Sustainability Statement.

This Sustainability Statement provides an overview of our Group's sustainability performance for the financial year under review.

## SCOPE AND BOUNDARY OF THE SUSTAINABILITY STATEMENT

The scope of this Sustainability Statement covers the financial year ended 30 April 2025 (FYE 30 April 2025) and the reporting boundary for the time being is focused on Malaysia Operation of our Group under Kein Hing Industry Sdn. Bhd. ("KHI"), the wholly-owned subsidiary of the Company.

Our Group's business operation in Vietnam or Vietnam Operation under Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV"), an 80%-owned subsidiary of the Company, has not been included yet. However, as our Group progresses along the sustainability journey, the scope and boundary is expected to expand to Vietnam Operation in the financial year ending 30 April 2027.

For the record, KHMV has met the best practices as set out by its MNC customers, passed customers' audit/review and remains as the registered part supplier within their global supply chain during the financial year under review. KHMV has also maintained the relevant certifications namely Quality Management System ISO9001 and Environmental Management System ISO14001.

## Sustainability Statement

### GOVERNANCE STRUCTURE AND MANAGEMENT

The Board has set up a Sustainability Committee since 2017 and currently its members comprise the Group Managing Director, Executive Director and Heads of three (3) main departments namely Human Resource ("HR"), Environmental, Safety & Health and Governance ("ESG") and Child Care Centre ("CCC"). The duties and responsibilities of the Sustainability Committee include, among others, assisting the Board in its oversight of the following:

 Common sustainability matters in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad	 Social sustainability, employee wellbeing and welfare of workers including foreign workers	 Health and safety and environment particularly on climate change	 Child Care Centre
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The position or department and their responsibilities towards sustainability are summarised in the following table:

Position	Responsibilities
The Board	Sustainability strategy and overall business performance and direction
Managing Director	Overall management and responsibility for sustainability
Operation Teams (HR, ESG and CCC)	Overall operational sustainability performance

The Board has delegated the oversight of sustainability matters including but limited to sustainability strategies, priorities and targets to the Sustainability Committee, but the ultimate responsibility still lies with the Board.

The Sustainability Committee, in a non-executive capacity, reviews the strategy, policy, management, initiative, target and performance of KHI, as appropriate, in the following areas:

Health and Safety	Environment	Social Policies	Child Care Centre
including the security of assets and employees, whilst recognising that health and safety remain the responsibility of the Board in accordance with the health and safety law.	including emission to air, water and land; energy management; climate change; waste and resource productivity; and compliance with environmental regulations.	including equality of treatment, human rights and welfare of foreign workers.	role of KHI in community/society, including early years education and children's rights through a CCC operated by KHI.

### MANAGEMENT'S APPROACH TO SUSTAINABILITY

Our Group's approach to sustainability is firmly based on the values which have been reflected in the corporate social responsibilities carried out throughout our corporate life. Our Group's engagement in sustainability has the following objectives:

- To continue to be a successful organisation with ethical business practices and effective governance.
- To influence and provide opportunities for stakeholders to make a positive contribution towards a sustainable future.
- To contribute to the communities especially those in which KHI has a presence in terms of environmental guardianship, social harmony and economic upliftment.



## Sustainability Statement

Our Group has a Code of Conduct and Ethics and an Anti-Corruption Policy ("Code and Policy") which set forth the standards of conduct required for all Directors, officers, managers and employees. These Code and Policy include elements such as ethics, anti-bribery and anti-corruption, conflicts of interest, confidentiality, protection of assets, quality management, environmental management, health and safety and accountability of each employee towards contributing to a sustainable business.

KHI always strives to achieve best practices in the manufacturing industry and it has maintained the following certifications:

- a) Quality Management System ISO9001
- b) Environmental Management System ISO14001

### STAKEHOLDER ENGAGEMENT

Our Group's stakeholders include customers, employees, investors/shareholders, suppliers, Government and regulators and local communities in Malaysia. Our Group engages with stakeholders on a need basis and does not have any calendar set for meetings.

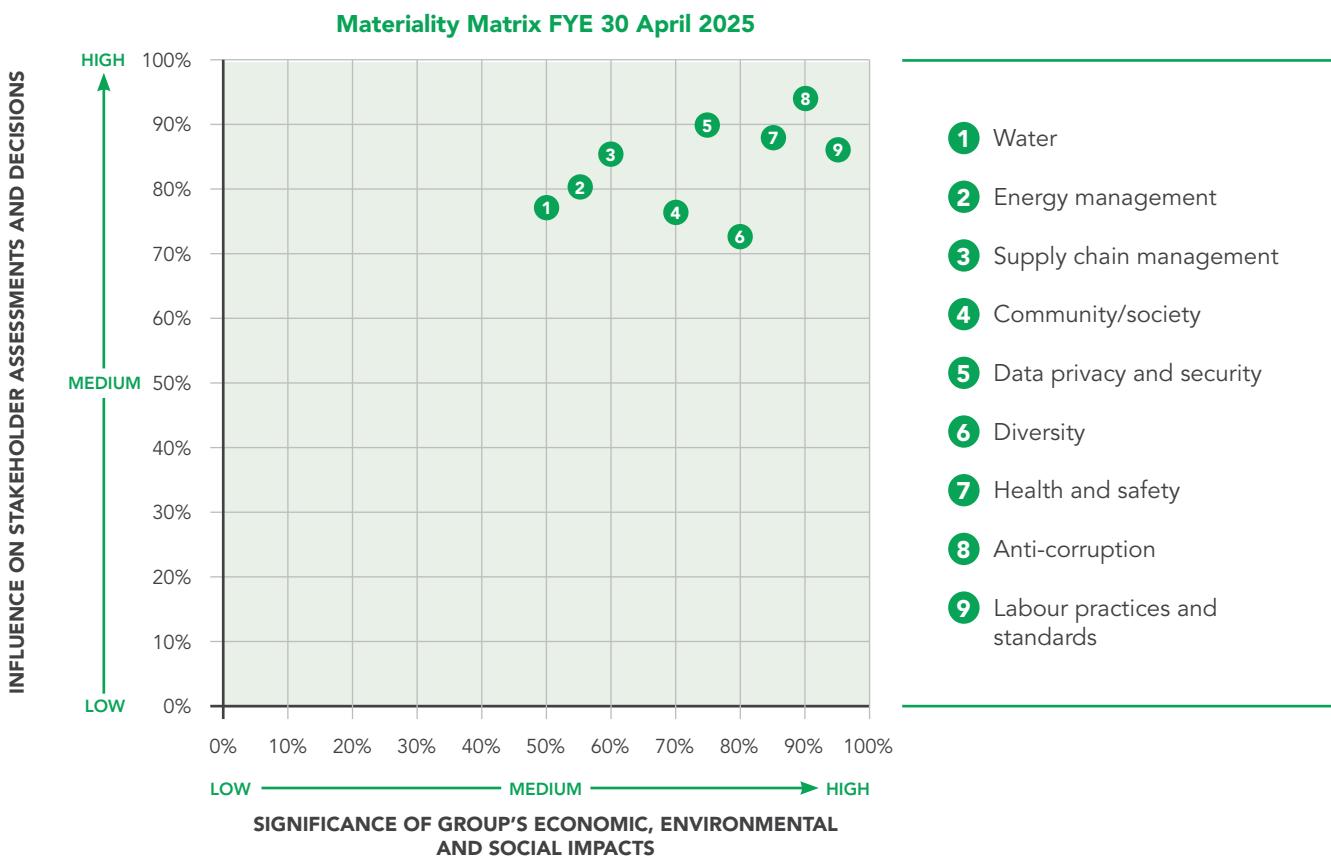
Our Group has adopted the following engagement process with our stakeholders:

Stakeholders	Sustainability Concerns	Actions/Engagement	Outcomes
<b>Customers</b> 	<ul style="list-style-type: none"> <li>• Product quality and improvement</li> <li>• Pricing</li> <li>• Delivery performance</li> <li>• Engineering service and response</li> </ul>	<ul style="list-style-type: none"> <li>• Customer satisfaction survey</li> <li>• Customer audit and feedback</li> <li>• Advanced Product Quality Planning (APQP)</li> <li>• Business review</li> </ul>	<ul style="list-style-type: none"> <li>• Quality Management System</li> <li>• Die Maintenance System</li> <li>• Inventory Management System</li> <li>• Environmental Management System</li> </ul>
<b>Employees</b> 	<ul style="list-style-type: none"> <li>• Health and safety</li> <li>• Career development</li> <li>• Working condition</li> <li>• Welfare and benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Health check benefits</li> <li>• Training and development</li> <li>• Cleanliness at workplace (5S)</li> <li>• Social events with employees</li> </ul>	<ul style="list-style-type: none"> <li>• Safe workplace policy</li> <li>• Health risk assessment</li> <li>• Medical fee support</li> <li>• Training and appraisal</li> <li>• Social harmony</li> </ul>
<b>Investors/ Shareholders</b> 	<ul style="list-style-type: none"> <li>• Return on investment</li> <li>• Value of investment</li> <li>• Business performance</li> <li>• Strategic plans</li> </ul>	<ul style="list-style-type: none"> <li>• Interim results</li> <li>• Annual Report</li> <li>• Corporate website</li> <li>• Annual General Meeting</li> </ul>	<ul style="list-style-type: none"> <li>• Dividends</li> <li>• Management discussion and analysis</li> <li>• Expansion plans in Vietnam</li> <li>• Potential growth in revenue</li> </ul>
<b>Suppliers</b> 	<ul style="list-style-type: none"> <li>• Forging strategic partnership</li> <li>• Product and service quality</li> <li>• Cost efficiency</li> <li>• Timely delivery</li> <li>• Practise ethics and compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier selection</li> <li>• Key supplier audits</li> <li>• Supplier performance survey</li> <li>• Request engineering improvement</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboration opportunities</li> <li>• Meeting customers' requirements</li> <li>• Better bargaining power</li> <li>• Reliable and timely supply</li> </ul>
<b>Government and Regulators</b> 	<ul style="list-style-type: none"> <li>• Compliance with Government legislative framework</li> <li>• Governance compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Operation in compliance with applicable laws and regulations</li> <li>• Participate Government bodies program</li> </ul>	<ul style="list-style-type: none"> <li>• Certifications</li> <li>• Compliance with regulations</li> <li>• Transparency</li> </ul>
<b>Local Communities</b> 	<ul style="list-style-type: none"> <li>• Environment protection</li> <li>• Local community activities involvement</li> </ul>	<ul style="list-style-type: none"> <li>• Sponsorship</li> <li>• Early childhood education</li> <li>• Scholarship funds</li> <li>• Recycling programs</li> </ul>	<ul style="list-style-type: none"> <li>• Child care centre &amp; pre-schools</li> <li>• Garden factory concept</li> <li>• Provision of jobs and internship to graduates</li> </ul>

## Sustainability Statement

### METHODOLOGY USED TO DERIVE AND PRIORITISE MATERIAL SUSTAINABILITY MATTERS

KHI has adopted the Common Sustainability Matters as stated in the 2022 SRF with modifications as set out in the Practice Note 9A of the Main LR. KHI identified and prioritised health and safety, labour practices and standards and community/society as its primary material sustainability matters in the previous years which it still believes that they remain relevant and continue to be material sustainability matters. KHI had sent a materiality survey to its stakeholders to obtain their responses and suggestions on how these Common Sustainability Matters influence their assessment and decisions on KHI. Based on the information gathered, KHI performed the materiality assessment which has been reviewed by the Sustainability Committee and the outcome is portrayed in the materiality matrix below:



### MANAGEMENT APPROACH FOR MATERIAL SUSTAINABILITY MATTERS

#### Economic Performance

Our Group's financial performance and strategic growth are paramount to the Company's sustainability journey as they have a direct beneficial impact on all stakeholders. Our Group also believes that a business should create values not exclusively for profitability but mutual benefits for all stakeholders. Therefore, in our pursuit for profits through the generation of revenue, we also contribute to our stakeholders through various activities which include, among others, supporting local businesses, servicing taxes and providing employment opportunities. Our Group's financial performance for the FYE 30 April 2025 is further discussed and detailed in the "*Management Discussion and Analysis*" for stakeholders' interests.

The Marketing and New Product Planning Department of KHI has been working closely with the in-house engineering team to enhance various aspects of production operation and manufacturing systems particularly on engineering capability, process improvement, reduction in cycle time and advancement in precision measurement and quality assurance technology. With this in mind, KHI invested a total capital expenditure of approximately RM4.0 million for the financial year, including new machines and measuring equipment for continual improvement.

## Sustainability Statement

KHI has implemented various manufacturing and inventory management systems for its operation which include, among others, the material replenishment buffer and Kanban system which can reduce labour inefficiency and inventory waste by regulating item production based on market's supply and demand, the die maintenance system which is applied for continual improvement in engineering and process cycle time, and the operation methodology which serves to ensure quality of parts for delivery and quantity of production or throughput within the target process time. These systems have benefited KHI by enhancing its productivity and efficiency, thus reducing quality issues whilst providing cost savings to both KHI and customers. KHI shall continue to strive towards long-term business profitability and growth as well as maintaining its status as a preferred supplier by offering quality parts, solution in tooling fabrication and manufacturing of parts and engineering services to the existing and potential customers.

KHI continuously seeks opportunities to grow its revenue and profit by not only investing in production capacity, engineering capability and quality assurance technology, it has also expanded its core business namely metal stamping and precision machining through the Vietnam Operation. This strategic expansion plan is in line with our Group's vision for a sustainable growth to ensure that our shareholders receive consistent and positive economic returns such as dividends and share capital appreciation in the long term.

### Customer Satisfaction

In KHI, we always strive towards long-term business profitability and growth as well as maintaining our status as a preferred supplier by providing excellent engineering services and quality parts and products to our customers. KHI is principally engaged in the manufacturing and supply of metal parts for assembly into the products of customers. Therefore, it is usually subjected to customers' audit to ensure that the parts supplied always fulfill the stringent quality requirements as specified by the customers especially MNC customers. In view of this, it is part of KHI's best practices to engage with certain key customers through customer satisfaction surveys at least once a year in order to assess their feedback on KHI's performance in terms of quality, cost, delivery, technology and response.

During the financial year under review, the feedback received and the rating given by these key customers had been analysed and reviewed by Marketing Managers and Managing Director of KHI respectively for continual improvement. The customer satisfaction survey results are summarised as follows:

Customer Satisfaction Index (points)		
Target	2025	2024
Customer Service Level 1: 8.00 – 10.00 points	8.98	8.92

Note: Based on a maximum index of 10.00 points.

Overall, the customer satisfaction index was above the target which signified that KHI was able to maintain its excellent engineering services and had met the stringent quality as required by its customers despite the challenges from stiff competition in the supporting industry.

### Anti-Corruption

Our Group is committed to conducting business transparently, honestly and with integrity. We uphold a zero-tolerance approach against all forms of bribery and corruption as the target and take a strong stance against such act. Therefore, our Group has taken reasonable and appropriate measures to ensure that its businesses and its people in the organisation do not participate in corrupt activities (i.e. gives, agrees to give, promises or offers to any person any gratification) for its advantage or benefit in order to obtain or retain business or advantage.

Our Group has carried out the following:

- (a) Regularly communicates our Group's Anti-corruption Policy's guidelines and principles to employees and external parties such as contractor/agent through reminders from managers, the Anti-Bribery and Corruption Statement issued by the Group's Managing Director and the Company's official website;
- (b) Encourage the use of reporting or whistleblowing channel in relation to any suspected and/or real corruption incidents or inadequacies in the anti-corruption compliance programme via employee trainings and the Company's official website;
- (c) Assign and adequately resource a competent person namely an Anti-corruption Task Force which has been set up since 26 March 2020 to be responsible for all anti-corruption compliance matters, including provision of training, advice and guidance to personnel and business associates in relation to the corruption programme;
- (d) Ensure that the lines of authority for personnel tasked with responsibility for overseeing the anti-corruption compliance programme are transparent and appropriate; and
- (e) Ensure that the results of any audit, reviews of risk assessment, control measures and performance are reported to the management, including the Audit and Risk Management Committee and the Board of Directors, and acted upon.

During the financial year, the Audit and Risk Management Committee had on 27 September 2024 reviewed the Yearly Anti-corruption Risk Reports, Key Corruption-related Risk Profile and Summary of Risk Scorecard in respect of the identified Corruption Risks within our Group and was satisfied that the action plan and risk controls had been implemented by the Management on an ongoing basis to ensure that the corruption-related risks are kept within the scale of low risk.

## Sustainability Statement

KHI's management and department leaders have carried out corruption-related risk assessment that covers 100% of its operations as the target during the financial year.

Corruption Risk Assessment	FYE 30 April 2025	FYE 30 April 2024
Percentage of operation assessed for corruption-related risks	100%	100%

KHI has provided the necessary training namely "Integrity and Ethical Decision-Making in Manufacturing" to the management and executive staff during the financial year. In turn, the manager and executive leader provided the necessary training to their subordinates accordingly.

Corruption-related Training	FYE 30 April 2025	FYE 30 April 2024
Percentage of employees who have received training on anti-corruption by employee category		
- Management	100%	100%
- Executive	100%	83%
- Non-executive/Technical Staff	74%	24%

As of 30 April 2025, there was zero incident of corruption across KHI's business operations, thus achieving the target set.

Corruption Incidents	FYE 30 April 2025	FYE 30 April 2024
Number of confirmed incidents of corruption and action taken	0	0

### Diversity

Our Group recognises and embraces the benefits of having a gender diverse company, and sees increasing diversity at KHI company level as an essential element in maintaining its competitive advantage and support for gender equality. A truly gender diverse company will include and make good use of differences in the skills, regional and industry experience, age, cultural background and other qualities that women Directors and employees are able to bring.

KHI is of the view that, while it is important to promote gender diversity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen a company should remain a priority. Nevertheless, our Group does set a specific target of at least 30% women participation for Directors and employees. The Human Resource Department of KHI is responsible to ensure that gender diversity objectives and the abovementioned target are adopted in recruitment, performance evaluation and succession planning processes. In order to retain women participation in KHI's workforce, KHI provides a suitable working environment that is free from harassment and discrimination, and the KHI Pre-School and Child Care Centre which was established in 1998 for the children of working mothers in KHI is testimony to KHI's commitment to this cause.

KHI's performance on diversity is shown in the following table:

Common Indicators	FYE 30 April 2025	FYE 30 April 2024
<b>Percentage of employees by gender and age group, for each employee category</b>		
<b>Gender group</b> by employee category		
Management - Male	43%	41%
Management - Female	57%	59%
Executive - Male	35%	44%
Executive - Female	65%	56%
Non-executive/Technical staff - Male	70%	65%
Non-executive/Technical staff - Female	30%	35%
General workers - Male	73%	72%
General workers - Female	27%	28%

## Sustainability Statement

Common Indicators	FYE 30 April 2025	FYE 30 April 2024
<b>Percentage of employees by gender and age group, for each employee category</b>		
<b>Age group</b> by employee category		
Management – Under 30	4%	3%
Management – Between 30 - 50	43%	45%
Management – Above 50	53%	52%
Executive – Under 30	23%	30%
Executive – Between 30 - 50	52%	43%
Executive – Above 50	25%	27%
Non-executive/Technical staff – Under 30	15%	27%
Non-executive/Technical staff – Between 30 - 50	57%	50%
Non-executive/Technical staff – Above 50	28%	23%
General workers – Under 30	36%	40%
General workers – Between 30 - 50	47%	47%
General workers – Above 50	17%	13%
<b>Percentage of Directors of KHIB or the Company by gender and age group</b>		
Male	67%	60%
Female	33%	40%
Under 30	0%	0%
Between 30 - 50	0%	0%
Above 50	100%	100%



### Community/Society

Our Group is committed to contribute to the community living within close proximity to our factories in terms of environmental protection, social harmony and economic upliftment. Our Group will participate in the community activities which we feel are essential to meet our social responsibilities in a positive and comprehensive manner and will continue to lay out social participation programs which are devised to provide support for organisations and institutions that are involved in welfare, sports, healthcare and educational activities with the ultimate aim of uplifting the social well-being of the community.

KHI, through "Tadika Keluarga Harmoni & Indah" (KHI Pre-school) and its very own version of Child Care Centre (CCC) which was established in 1998, has provided the children of employees as well as those in the Seri Kembangan community early childhood education, safe and quality child care standards. Currently, KHI Pre-School has six (6) qualified teachers and seven (7) support staff. The average number of children under its early childhood education is 40 (2024: 40).

KHI advocates for accessibility to early childhood education, safe and quality child care standards. This requires a genuine commitment not only from KHI Pre-School but also the concerned stakeholders to collaboratively work together and

## Sustainability Statement

plan educational programme such as Montessori Method for nursery, "Kurikulum Standard Pra-Sekolah Kebangsaan" for pre-schoolers. The Child Care Centre within workplace demonstrates how KHI can go beyond its peers to meet children's needs and contribute towards sustainable development. During the last 25 years, KHI recognised that provision of childcare and early childhood education also contributed to the increase in productivity and loyalty of employees. KHI is of the view that this noble objective is a pillar of its social sustainability and it has set an amount of RM120,000 annually as the target for this community investment.

Community Investment Performance Data	FYE 30 April 2025	FYE 30 April 2024
Total amount invested in the community where the target beneficiaries are external to KHI	RM233,674	RM132,000
Total number of beneficiaries of the investment in communities	73	232

For the record, KHI's initiative was recognised by the Companies Commission of Malaysia (SSM) in partnership with United Nation International Children's Emergency Fund (UNICEF) in 2010 in line with their corporate social responsibilities (CSR) framework which advocated child-focused CSR that truly integrated children's rights with business practices, creating a win-win situation for children, communities and businesses themselves. In recognition of the dedication of quality education in young children, KHI was featured as the role model company under the "Establishment of Child Care Centre at the Work Place" Best Business Practice launched by UNICEF in collaboration with SSM. A program that includes best practice articles, promotional video as well as accompanying toolkit to kick-start and inspire other like-minded organisations to initiate early childhood education and care centre and put children's well-being as one of their cornerstone objectives.

During the financial year, KHI spent a total of RM6,750 on a CSR Program with Zoo Negara. This program was aimed to support wildlife conservation and fostering environmental awareness. Employees participated enthusiastically in activities such as cleaning animal enclosures, preparing food for animals, and assisting zookeepers in feeding tasks. This initiative not only contributed to the upkeep of the zoo, but also strengthened team spirit among employees. This endeavour aligns to KHI's ongoing commitment to community engagement and sustainable practices.

KHI also carried out a "gotong-royong" activity in September 2024 to clear the drainage system which was troubled with flash floods during heavy rain. Employees volunteered to remove sediment buildups and wastes that were obstructing water flow. This demonstrates our dedication to maintain a safe, resilient, and sustainable environment for both KHI and the surrounding community.

KHI contributed gift vouchers for groceries worth RM3,900 in total to local communities near its premises to ease their financial burden and support household needs. This initiative reflects KHI's commitment to community welfare and strengthening ties with its surrounding neighborhoods.

KHI also sponsored a total amount of RM39,240 to the schools within Seri Kembangan for various activities held by the schools during the financial year under review.

As we continue to evolve as an organisation, we shall remain committed to investing in our communities and working collaboratively with local partners to drive a sustainable social impact.



## Sustainability Statement



### Health and Safety

KHI strives to minimise significant risks to human health at its workplace such as workers injuries, usage of hazardous chemicals and other ergonomics concerns normally associated with our nature of manufacturing activities. KHI strongly believes that prioritising a healthy and safe workplace would increase efficiency and effectiveness.

To achieve this goal, KHI has maintained a Safety, Health and Environmental (SHE) Policy, promoting safe workplace and health practice among employees. KHI's Safety and Health Committee members are represented in each factory owned and operated by KHI, and quarterly meetings were held to ensure that safety matters had well been communicated and discussed at all levels. KHI has conducted safe workplace awareness campaigns such as the Kiken Yochi (Hazard Protection) Training and Completely Check Completely Find-Out (CCCF) Safety Activity. KHI continues to enhance reporting of incidents among employees in order to identify the safety issue earlier for better preventive measures and improvement. In addition, KHI also implements and issues safety awareness letter to employees in order to cultivate and strengthen the safety awareness at workplace.

During the financial year, KHI promoted various activities for its employees in order to keep healthy living:

- Audiometric testing was offered to those employees that are involved in production operation.
- Regular health and safety trainings were provided to the employees, and these training programmes are reviewed regularly to ensure its relevance.
- Health screening and full body check-up benefits were offered to those eligible employees including medical fee support for certain employees who require follow-up medical treatment after the check-up.
- Healthy living was promoted by organising weekly jogging activity for employees after work.

- Water sports day event was held in January 2025 which involved participants from all the factories of KHI.

KHI has set various targets under Health and Safety such as zero work-related fatalities, lost time incident rate of 1.00 and at least 100 employees are trained on health and safety standards. KHI's actual performance on health and safety are summarised as follows:

Performance Indicators	FYE 30 April 2025	FYE 30 April 2024
Total number of work-related fatalities	0	0
Lost time incident rate ("LTIR")	0.14	0.60
Total number of employees trained on health and safety standards	209	132

KHI is determined to reduce personnel injuries so as to provide a safer workplace for its employees, contractors and visitors. Compared with the target LTIR of 1.00, the actual LTIR of 0.14 is lower by 0.86 or 86%. Nevertheless, KHI will continue to review its occupational hazards and risks, and is dedicated in implementing effective risk control measures to minimise occurrence in future. As for training, a total of 209 employees had participated and been trained on health and safety standards during the financial year under review.

### Energy Management

In KHI, the electricity used to power production operations and manufacturing activities make up the largest components of energy consumption. KHI understands that, as a corporate entity, it has a duty to minimise its environmental footprint while proactively embracing the chances presented by the shift towards a sustainable economy. In view of this, KHI is committed to reduce its carbon and energy footprint through energy efficiency initiatives.

KHI often promotes Energy Conservation concept through efficient use of electricity. With the implementation of formulated productivity system which is developed in-house, KHI is able to achieve and continually maintain short process time and high productive time, thus mitigating idle time, reducing overtime and having a more effective control of air compressed system which in turn saving the use of electricity. During the financial year, KHI has taken certain initiatives to continually improve the use of energy by using energy-efficient LED lightings and also installing photovoltaic (PV) lightings. In addition, KHI is currently exploring opportunities in the use of renewable energies such as solar rooftop PV panels in its manufacturing and production operation and assessing its feasibility.

## Sustainability Statement

KHI has set a target of 3,600 Megawatt for energy consumption in a financial year.

Performance Indicators	FYE 30 April 2025	FYE 30 April 2024
Total energy consumption (Megawatt)	4,015	3,580

The total energy consumption for the financial year was higher than the target by 12% mainly due to the change in sales mix where certain production of parts required more energy consumption. Nevertheless, KHI will continue to control its energy usage.

### Supply Chain Management

KHI which has a wide range of suppliers providing various inputs and services needs to ensure that its upstream supply chain must also conform with the stringent part quality and specification set by its mostly MNC customers in a similar manner. Therefore, KHI through its Purchasing Department has reviewed the key suppliers based on, among others, product and service quality, operation scale, engineering skills and technology.

Over the years, KHI has built a group of reliable and qualified suppliers, and those suppliers who failed to conform with its ultimate customers' requirements on product and service quality or contributed to finished goods defects at any stage of production had been removed from the list of its registered suppliers.

While actively performing procurement activities, KHI firmly believes in supporting local businesses and has set a target of at least 75% of the total purchases coming from local suppliers. The actual performance of KHI on this sustainability matter is summarised below:

Performance Indicators	FYE 30 April 2025	FYE 30 April 2024
Proportion of spending on local suppliers	89%	90%

### Data Privacy and Security

Our Group recognises that information technology security (IT Security) is important to protect information technology, computer networks and software from unauthorised access and attacks by malware, spyware, viruses, hackers and worms. IT Security has become essential to modern business life where remote working, e-commerce and automation are new trends. Therefore, a company must have IT Security in order to safeguard sensitive customer, supplier and employee information from unwary hackers, fraudsters and other cyber criminals.

During the financial year, KHI has reviewed and enhanced its IT Security Policy particularly on the areas of data privacy and information security. The IT Security Policy has been communicated within the organisation where the employees and IT users have signed on the IT Security Policy as an End User Acceptance for the use and protection of KHI's information. The employees and IT users are guided especially on their responsibilities, among others, the followings:

- individually responsible for protecting the data and information in their hands;
- recognise that data is sensitive and information is an intangible asset, if do not know or are not sure, stop doing and ask superior/manager;
- understand that an individual is accountable for what he/she does on the system and information;
- information technology facilities including computer, laptop, printer, email and internet access must be used responsibly as any abuse or misuse may risk significant impact on the company's business; and
- any action that may expose the company to risks of unauthorised access to data, disclosure of sensitive information, legal liability, potential system failure may result in disciplinary action up to and including termination of employment and criminal prosecution.

For the financial year ended 30 April 2025, KHI has set a target of zero complaints concerning breaches of customer privacy and/or losses of customer data across its business operations and its actual performance is as follows:

Performance Indicators	FYE 30 April 2025	FYE 30 April 2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0



## Sustainability Statement

### Labour Practices and Standards

Our Group often upholds the human rights of workers including foreign workers, and to treat them with dignity and respect. Our Group arranges and coordinates the training needs of employees based on recommendations from their direct managers and leaders as part of human capital development in order to enhance and improve their skills, knowledge, abilities and overall potential. These help to reduce employee turnover and increase employee engagement, thus translating into higher productivity, greater efficiency and loyalty.

KHI always reviews and ensures that foreign workers' welfare is well taken care of such as worker hostels, and they have met the regulatory requirements. The Internal Auditors of KHB Group has in September 2024 conducted a review on KHI in relation to foreign workers' welfare and the compliance with various laws and rules, among others, Immigration Act 1959/63, Employment Act 1955, Minimum Wages Order, Foreign Worker Management System (FWMS) and Occupational Safety and Health Act 1994. There were no major findings from the above internal audit. KHI recorded zero substantiated complaints concerning human rights violations during the financial year under review.

KHI's human capital is developed and strengthened through its investment in employees.

- In general, KHI provides diversified on-the-job trainings based on the needs of respective positions, talents and interests of employees.
- External trainings were given to the employees including specialised trainings for different departments, soft skills and management topics.
- In house trainings which covered KHI's internal systems ranging from quality assurance, die maintenance, inventory management and modelling of production were also conducted in order to improve employees' capabilities and skills to manage and handle their respective value activities.
- Newly recruited employees are required to undergo an orientation program so that they can understand more about the systems and background of the Company.

KHI has set an average training hours or target of 4 hours per employee for a financial year. KHI has also set a target for employee turnover which is less than 80 employees in total for a financial year. The actual performance of KHI for the current financial year are summarised below:

Performance Indicators	FYE 30 April 2025	FYE 30 April 2024
Total hours of training by employee category		
- Management	1,003	642
- Executive	2,444	1,827
- Non-executive/Technical Staff	575	384
- General workers	1,152	1,567
Percentage of employees that are contractors or temporary staff	6%	6%
Total number of employee turnover by employee category		
- Management	1	1
- Executive	18	16
- Non-executive/Technical Staff	7	9
- General workers	31	44
Number of substantiated complaints concerning human rights violations	0	0



## Sustainability Statement

### Water Management

Our Group always supports the responsible use of water resources across factories, warehouse and staff accommodation. Our Group recognises that good water management helps to reduce consumption and wastage which is becoming more relevant in view of climate change impacts.

KHI periodically reviews and identifies opportunities to source, use and reuse water to reduce water consumption. KHI implement posters to foster awareness among employees to save water, and regular maintenance to minimise water leaks and wastage.

KHI has set a target of 21 Megalitres for its total water consumption in a year, and the actual performance for the financial year is as follows:

Performance Indicators	FYE 30 April 2025	FYE 30 April 2024
Total volume of water used (Megalitres)	32	20

The total water consumption for the financial year was higher than the target by 52% mainly due to the change in sales mix where certain production of parts required more water usage. Nevertheless, KHI will continue to control its consumption of water moving forward.

### ASSURANCE STATEMENT

Non-financial data in this Sustainability Statement for the FYE 30 April 2025 has not been subjected to an assurance process. KHI is considering to seek internal auditors or external auditors to perform an internal review or independent assurance for selected indicators in the future.

### CONCLUSION

Our Group often supports and encourages employees and the relevant stakeholders to seek noble mean for contributing to ESG Sustainability and to help to shape more moderate and caring communities.



# Performance Data Table

From Bursa Malaysia Securities Berhad's ESG Reporting Platform

Indicator		Measurement Unit	2024	2025
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00	100.00	
Executive	Percentage	83.00	100.00	
Non-executive/Technical Staff	Percentage	24.00	74.00	
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	
<b>Bursa (Community/Society)</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	132,000.00	233,674.00	
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	232	73	
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	3.00	4.00	
Management Between 30-50	Percentage	45.00	43.00	
Management Above 50	Percentage	52.00	53.00	
Executive Under 30	Percentage	30.00	23.00	
Executive Between 30-50	Percentage	43.00	52.00	
Executive Above 50	Percentage	27.00	25.00	
Non-executive/Technical Staff Under 30	Percentage	27.00	15.00	
Non-executive/Technical Staff Between 30-50	Percentage	50.00	57.00	
Non-executive/Technical Staff Above 50	Percentage	23.00	28.00	
General Workers Under 30	Percentage	40.00	36.00	
General Workers Between 30-50	Percentage	47.00	47.00	
General Workers Above 50	Percentage	13.00	17.00	
Gender Group by Employee Category				
Management Male	Percentage	41.00	43.00	
Management Female	Percentage	59.00	57.00	
Executive Male	Percentage	44.00	35.00	
Executive Female	Percentage	56.00	65.00	
Non-executive/Technical Staff Male	Percentage	65.00	70.00	
Non-executive/Technical Staff Female	Percentage	35.00	30.00	
General Workers Male	Percentage	72.00	73.00	
General Workers Female	Percentage	28.00	27.00	
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	60.00	67.00	
Female	Percentage	40.00	33.00	
Under 30	Percentage	0.00	0.00	
Between 30-50	Percentage	0.00	0.00	
Above 50	Percentage	100.00	100.00	
<b>Bursa (Energy management)</b>				
Bursa C4(a) Total energy consumption	Megawatt	3,580.00	4,015.00	
<b>Bursa (Health and safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	0	0	
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.60	0.14	
Bursa C5(c) Number of employees trained on health and safety standards	Number	132	209	
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	642	1,003	
Executive	Hours	1,827	2,444	
Non-executive/Technical Staff	Hours	384	575	
General Workers	Hours	1,567	1,152	

## Performance Data Table

From Bursa Malaysia Securities Berhad's ESG Reporting Platform

Indicator		Measurement Unit	2024	2025
<b>Bursa (Labour practices and standards)</b>				
Bursa C6(b) Percentage of employees that are contractors or temporary staff		Percentage	6.00	6.00
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	1	1	
Executive	Number	16	18	
Non-executive/Technical Staff	Number	9	7	
General Workers	Number	44	31	
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	
<b>Bursa (Supply chain management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	90.00	89.00	
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	20.000000	32.000000	
<b>Bursa (Waste management)</b>				
Bursa C10(a) Total waste generated	Metric tonnes	-	No Data Provided	
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	No Data Provided	
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	No Data Provided	
<b>Bursa (Emissions management)</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	No Data Provided	
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	No Data Provided	
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	No Data Provided	

# Corporate Governance Overview Statement



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The Board of Directors ("Board") of Kein Hing International Berhad ("KHIB" or the "Company") is committed to ensure that a high standard of corporate governance is practised throughout the Company and its subsidiaries ("the Group") in discharging its responsibilities with integrity, transparency and professionalism to protect the assets of the Group and enhance shareholders' value and the financial position of the Group. The Board has always been vigilant of the fiduciary duties entrusted upon it as a principle guide in discharging its duties.

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The Board recognises the importance of having sound corporate governance practices and supports the practices promulgated in the Malaysian Code on Corporate Governance 2021 ("the Code") to enhance business prosperity and maximise shareholders' value. The Board will continuously evaluate the Group's corporate governance practices and procedures, and where appropriate will implement the best practices as enshrined in the Code to the best interest of the shareholders of the Company. As such, the Board plays a primary role in ensuring that good corporate governance is being practised.

Below is the Board's Corporate Governance Overview Statement of the Company's application of the Principles and Practices as set out in the Code in compliance with Paragraph 15.25 of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad ("Bursa Securities"). The detailed disclosure on how the Group has applied the principles and practices as laid out in the Code throughout the current financial year can be found in the Corporate Governance Report at the Company's website at [www.keinhing.com](http://www.keinhing.com).

## PRINCIPLE A

### BOARD LEADERSHIP AND EFFECTIVENESS

#### I. Board Responsibilities

The Company is led by a proactive Board that takes full responsibility to set the goals and strategic direction as well as strategies that are sustainable for the Group and monitor and review the overall performance of the Group. The Board also ensures that the necessary resources are in place for the Company to achieve its strategic goals and objectives and provide sustainable performance to ensure the maximization of shareholders' wealth.

The Board also oversees the conduct of the Group's businesses, ensuring various control systems are in place as well as regularly evaluating such systems to ensure its integrity. These controls are necessary to mitigate the risks associated with the businesses of the Group. The Board will continuously improve and ensure that the Group apply and implement the corporate governance practices to create long-term value for stakeholders and its own sustainability.

The Board is fully committed as part of its responsibility for the strategic direction of the Group to integrate the sustainability in the Group including sustainability related strategy and performance.

## Corporate Governance Overview Statement

To ensure accountability, the Board has specific functions reserved for the Board. Broadly, the Board has the following distinct principal responsibility in discharging its fiduciary and leadership functions:

- Receiving and adopting strategic plan for the Group including sustainability-related strategy that merges with the business strategy concept of long-term business creation for business and supports business continuity and competitiveness over the long term.
- Approving the annual budget.
- Identifying principal business risks faced by the Group and ensuring the implementation of appropriate internal controls and mitigating measures to address such risks.
- Ensuring through the Nominating Committee that all candidates appointed to the Board are of sufficient caliber with the necessary skill sets required, and comply with the Company's Fit and Proper Policy.
- Approving Directors' emoluments and benefits with recommendations from the Remuneration Committee.
- Reviewing the adequacy and integrity of the Group's system of internal control and management information system inclusive of operating infrastructure.
- Identifying the material economic, environmental and social risks and opportunities.

Key matters reserved for the Board for decision includes amongst others the following:

- Set and review limits of authority and clearly defined roles and terms of reference for the various Board Committees, the Executive Directors, and Senior Management personnel.
- Establishment, acquisition or disposal of businesses.
- Declaration of dividends.
- Approval of accounting policies of the Group and the financial statements.
- Capital investments and disposal of tangible assets.
- Approve borrowings/financing of the Group's activities.
- Approve corporate restructuring or exercises.
- Approve changes to corporate organisation structure.
- Approve change of name of any subsidiary companies within the Group.
- Approve policies relating to corporate branding, public relations, investors relation and shareholder communication programs.

The Board is led by a competent and responsible Chairman who is committed to ensuring the effective operation and performance of the Board, ensuring the integrity and effectiveness of the governance process of the Board and acts as facilitator at meetings. The Chairman provides leadership in the Board and ensure that the Board and Board Committees function effectively. The Chairman sets the agenda for the Board meetings in consultation with the Group Managing Director and the Company Secretary and looks into effective shareholder engagements. With effect from 1 June 2023, the Chairman of the Board is Madam Yong Elaine, the Executive Director of the Company. In compliance with Practice 1.4 of the Code, the Chairman of the Board is not a member of the Audit and Risk Management Committee, Nominating Committee or Remuneration Committee.

Key responsibilities of the Chairman as set out in Guidance 1.2 of the Code have been adopted by the Company to be the duties and responsibilities the Chairman of the Company:

1. Provides leadership for the Board so that the Board may perform its responsibilities effectively;
2. Sets the Board agenda and ensures that Board members receive complete and accurate information in a timely manner;
3. Leads Board meetings and discussions;
4. Encourages active participation and allows different views to be freely expressed;
5. Manages the interface between the Board and the management;
6. Ensures appropriate steps are taken to provide effective communication with stakeholders and that their views are communicated to the Board as a whole; and
7. Leads the Board in establishing and monitoring good corporate governance practices in the Company.

In order to promote accountability, transparency and to uphold independent judgement in decision making, the positions of Chairman and the Group Managing Director are held by two different individuals as both positions have distinct and separate roles and responsibilities. Furthermore, the distinct and separate roles of the Chairman and the Group Managing Director come with a clear division of responsibilities to ensure a balance of power and authority, such that no one individual has unfettered powers in decision making. The Group Managing Director is responsible for the management of the Group, making and implementing operational and corporate decisions as well as developing, coordinating and implementing business and corporate strategies including sustainability related strategies.

## Corporate Governance Overview Statement

### Board Charter

The Board has adopted a Board Charter to observe the standards of corporate governance and clarifies, amongst others, the roles and responsibilities of the Board. The Board Charter is periodically reviewed and updated by the Board to ensure that it remains consistent with the Board's objectives and responsibilities. It also sets out the respective roles and responsibilities of the Board, Board Committees, individual Directors and Management and issues and decisions reserved for the Board. The updated Board Charter is accessible at the Company's website at [www.keinhing.com](http://www.keinhing.com).

The Board Charter covers the following broad areas:

- Composition of the Board, including size, nominations, appointments and re-elections of directors and annual Board evaluations.
- Board roles and responsibilities inclusive of separation of roles between Chairman of the Board and the Group Managing Director, Board Committees and the responsibility of the Company Secretary.
- Board process covering meetings, access to independent advisors, Directors' training and Remuneration Committee.
- Compliance of Code of Conduct and Ethics, its core areas and the application of Whistleblowing Policy, Anti-Corruption Policy and Anti-Bribery and Corruption Statement.

### Code of Conduct and Ethics and Anti-Corruption Policy

The Board has adopted a Code of Conduct and Ethics for the Company and together with Management implements its policies and procedures, which includes managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Group has always been committed to applying the highest standards of ethical conduct, integrity and accountability in all its business activities, operations, business dealings and relationships. In this respect, the Group has adopted in practice the Revised "Guidelines On Conduct of Directors of Listed Corporations And Their Subsidiaries" issued by the Securities Commission on 12 April 2021.

The Code of Conduct and Ethics is published on the Company's website at [www.keinhing.com](http://www.keinhing.com).

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018") which established the principle that a commercial organisation has a criminal liability ("Corporate Liability") for the corrupt activities of its employees and/or persons associated with the commercial organisation where such corrupt activities are carried out for the commercial organisation's benefits or advantages. The tone from the Group's top management is to uphold zero-tolerance against all forms of bribery and corruption and to take a strong stance against such acts. This no-nonsense and serious approach is reflected in the Anti-Bribery and Corruption Statement issued by the Group's Managing Director, Mr. Yap Toon Choy. This Statement and the Anti-Corruption Policy of the Group can be viewed at the Company's website at [www.keinhing.com](http://www.keinhing.com).

### Corporate Disclosure Policy and Whistleblowing Policy

Strong values of transparency and consistency are fostered in communication with all the stakeholders, while taking into account critical commercial confidentiality and regulatory considerations. Pursuant to this objective, a formal Corporate Disclosure Policy together with the Whistleblowing Policy have been established and adopted. The Corporate Disclosure Policy and the Whistleblowing Policy can be found at the in-house Innnernet System of Kein Hing Industry Sdn. Bhd. which is accessible by the employees, and the Whistleblowing Policy can also be accessed at the Company's website at [www.keinhing.com](http://www.keinhing.com). The Whistleblowing Policy allows employees to raise concerns without fear of reprisals on possible improprieties or irregularities in matters of financial reporting, abuse of power, sexual harassment, compliance and other malpractices at the earliest opportunity, and in an appropriate way. Under the Group's Whistleblowing Policy, the employee should immediately report any malpractice that exists in the work place to his/her manager. However, if the employee feels reluctant to do so, the employee has an option to directly report it to the Chairman of the Board.

## Corporate Governance Overview Statement

### Sustainability

The Board together with Management takes responsibility for the governance of sustainability in the Company including setting the Company's sustainability strategies, priorities and targets. The development and implementation of the Company's strategies, business plans, major plans of action and risk management are deliberated at the Board Committees and at the Board level. The Board takes appropriate action to ensure that they stay abreast with and understand the sustainability issues relevant to the Company and its business such as foreign workers' welfare, staff's children childcare and early childhood education, including climate-related risks and opportunities. Please refer to Sustainability Statement which discloses more details relating to the Group's sustainability.

### Company Secretary

The Board is supported by an experienced and competent Company Secretary who is qualified to act as secretary under Section 235(2) of the Companies Act 2016 and is a Fellow Member of the Malaysian Association of Company Secretaries. He also holds a practising license issued by the Companies Commission of Malaysia. The Company Secretary plays an advisory role to the Board by providing appropriate advice and relevant services to ensure that all applicable rules and regulations are complied with. The Company Secretary is also responsible for advising the Directors of their obligations and adherence to matters pertaining to disclosure of interest of securities, disclosure of any conflict of interest in transaction involving the Company, prohibition on dealing in securities and restrictions on disclosure of price-sensitive information and advocating adoption of good corporate governance practices. The Company Secretary ensures that Directors receive meeting materials within a reasonable period prior to the meeting. Deliberation during the Board and Board Committees' meetings were properly minuted, documented and circulated to the Chairman and members of the Board for review thereafter. The minutes must be formally confirmed by the Board at its next scheduled meeting. Besides that, the Company Secretary has constantly kept himself abreast with amongst others the current developments of the MMLR of Bursa Securities, related law and corporate governance practices. The Company Secretary has the knowledge and experience to carry out his duties and responsibilities.

## II. Board Composition

Appointments of Board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender. Directors appointed are expected to devote the required time to serve the Board effectively. The Board through the Nominating Committee will review the time commitment of new and existing Directors. Any appointment that may cast doubt on the integrity and governance of the Company will be avoided. With the right mix of size, experience, knowledge, expertise and gender, the Board has the means for effective management and perspectives, which are vital for the strategic success of the Group. The Company is led by a diverse Board with a mix of management and entrepreneurial skills, supported by Independent Directors who bring to the Board their different fields of training and expertise. The Board is satisfied that no individual or group of individuals dominates the Board's decision making process.

The Board of KHIB, comprises six (6) members, of whom two (2) are Executive Directors, four (4) are Independent Non-Executive Directors. This is in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, where at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. Furthermore, the Company has complied with Practice 5.2 of the Code with at least half of the Board being Independent Directors. Presently, the Board comprises a majority of Independent Directors. The profile of each Director is set out on page 5 to 8 of the Annual Report 2025.

The four (4) Independent Non-Executive Directors fulfill the important role in corporate accountability as they furnish balanced and independent view to the Board, particularly on issues pertaining to shareholders, stakeholders and various communities in which the Group operates and issues of conflict of interest or related party transactions. All Independent Non-Executive Directors are independent of management and are free of any relationship that could interfere with their exercise of independent judgment. The Company has also appointed Mr. Khor Yew Chye as the Senior Independent Non-Executive Director with effect from 1 June 2023.

## Corporate Governance Overview Statement

### Diversity

A diverse Board can offer greater depth and breadth compared to a non-diverse Board as well as diversity at Senior Management level will provide constructive debates, which lead to better decisions. The Board has two (2) women directors out of six (6) directors while out of six (6) Key Senior Management in the Group, three (3) of them are females. This shows that the Group practices non-discrimination in any form especially in terms of gender and provides equal opportunity to everyone throughout the Group.

The Board although has no specific policy on gender diversity, is fully conversant with the benefit and contribution of a diverse Board to constructive debates, better decision making and performance of the Company. Gender diversity enables the discussion of the same ideas in differing ways and better equips the Company to face challenges in an ever-changing, volatile and competitive environment. At the moment, the Board has not set any target for the appointment of Woman Directors to the Board. Nevertheless, the Board composition presently comprises two (2) women directors representing 33.33% of the Board composition. The Board has applied Practice 5.9 of the Code which recommends to the Board to have at least 30% women directors. The Board also met the requirement of the Amendments to the Main Market Listing Requirements dated 19 January 2022 which requires the Company to have at least 1 woman director on its Board by 1 June 2023 ("Amendment MMLR 19/1/2022"). The Board members have the necessary knowledge, experience, requisite range of skills and competencies to enable them to discharge their duties and responsibilities effectively. The Nominating Committee will include steps to identify and encourage suitable female candidates who have the qualifications, competencies, skills, experience and knowledge in areas identified by the Board to be considered in its recruitment exercise from time to time and any such appointment will be made based on merit and will follow the Company's guideline on evaluation and selection of Board candidates which will provide equal opportunity to everyone. The Board candidate will also have to meet the criteria of the Company's Fit and Proper Policy which has been approved by the Board on 24 June 2022 and published on the Company's website since 1 July 2022.

### Tenure of Independent Director

In compliance with the Amendments MMLR 19/1/2022, the tenure of an Independent Director shall be limited to not more than a cumulative period of 12 years from the date of such person appointment as an Independent Director in the Company. If the Board intends to retain an Independent Director beyond nine (9) years, it will apply Practice 5.3 of the Code by providing justification and seeking annual shareholders' approval through a two-tier voting process.

Presently, the tenure of all the Independent Directors is less than the limit of 12 years.

### Board Meeting

The Board conducts regular meetings for full financial and business review and discussion. All pertinent issues discussed at the Board Meetings in arriving at the decision and conclusion are properly recorded by the Company Secretary. The Board is satisfied with the level of time commitment given by the Directors towards fulfilling their roles and responsibilities which is evidenced by the participation and satisfactory attendance record of the Directors at the Board Meeting. The Board members are required to notify the Board prior to their acceptance of new directorships in other companies with indication of time that will be spent on the new appointment.

The Board met five (5) times during the financial year ended 30 April 2025 and details of the Directors' attendance are as appended below:

Directors	The Financial Year Ended 30 April 2025					Number of Meetings Attended	Percentage of Attendance
	26/6/24	19/8/24	27/9/24	16/12/24	26/3/25		
Yong Elaine	√	√	√	√	√	5/5	100%
Yap Toon Choy	√	√	√	√	√	5/5	100%
Khor Yew Chye	√	√	√	√	√	5/5	100%
Jancy Oh Suan Tin	√	√	√	√	√	5/5	100%
Low Khoon Boon	√	X	√	√	√	4/5	80%
Gan Poh Chan (Appointed on 2 May 2024)	X	√	√	√	√	4/5	80%

## Corporate Governance Overview Statement

Matters that were discussed, reviewed and approved during the Board Meeting held during the financial year ended 30 April 2025 included amongst others the following:

- (a) Approved the Unaudited Quarterly Report for announcement to Bursa Securities.
- (b) Received and reviewed the reports of the Board committees.
- (c) Reviewed and approved the audited financial statements of the Company and the Group.
- (d) Reviewed, discussed and approved the annual business plan and budget of the Group.
- (e) Reviewed and approved the various Reports/Statements including the Enhanced Sustainability Statement for the inclusion in the Annual Report 2024.
- (f) Reviewed, approved and adopted the Board Charter, Fit and Proper Policy, Terms of Reference of Nominating Committee, Remuneration Committee and Audit and Risk Management Committee, Code of Conduct and Ethics, Corporate Disclosure Policy, Sustainability Policy, Gender Diversity Policy, Risk Management Policy, Whistleblowing Policy, Anti-Corruption Policy, Anti-Bribery and Corruption Statement, Non-assurance Services Pre-approval Policy and Terms of Reference of the Sustainability Committee either with or without amendments.
- (g) Considered and recommended dividend to be paid for the financial year ended 30 April 2024.
- (h) Reviewed and recommended to the Shareholders for approval:
  - a. The re-election of director(s);
  - b. The renewal of the shareholders mandate for recurrent related party transactions;
  - c. The renewal of the shareholders mandate for share buy-back; and
  - d. The approval of directors' fees payable from 17 October 2024 until the next AGM in 2025.
- (i) Reviewed the recommendation of the Audit and Risk Management Committee for the re-appointment of the External Auditors, and recommended it to the Shareholders for approval.
- (j) Reviewed on quarterly basis;
  - (1) the quarterly Risk Management Report presented by the Group's Risk Management Coordinator;
  - (2) the recurrent related party transaction of a revenue or trading nature and any conflict of interest situation, if any, arising within the Company or the Group including any transaction or procedure or course of conduct that might raise question of management integrity;
  - (3) the dealings by Directors and Principal Officers in the Securities of the Company;
  - (4) the announcements made during the quarter;
  - (5) the Directors' Circular Resolutions passed during the quarter; and
  - (6) confirmed Minutes of the previous Meetings of Board Committees together with follow up on any matters arising therefrom.
- (k) Reviewed and approved the Semi-Annual Returns.
- (l) Reviewed the payment of bonus and special allowance of the Group Managing Director and Executive Chairman.
- (m) Reviewed the acquisition of investment properties in Melaka and Selangor and land use rights in Vietnam.
- (n) Reviewed the yearly Anti-Corruption Risk Report.

### **Nominating Committee**

The Nominating Committee ("NC") of the Company was set up on 6 December 2004 with written Terms of Reference approved by the Board to deal with its authority and duties which include the selection and assessment of directors. The Terms of Reference of the Nominating Committee are made available on the Company's website at [www.keinhing.com](http://www.keinhing.com).

The NC comprises three (3) Non-Executive Directors, all of whom are Independent Directors.

The members of NC are as follows:

<b>Nominating Committee Members</b>	<b>Designations</b>	<b>Directorship</b>
Khor Yew Chye	Chairman	Senior Independent Non-Executive Director
Jancy Oh Suan Tin	Member	Independent Non-Executive Director
Low Khoon Boon	Member	Independent Non-Executive Director

## Corporate Governance Overview Statement

The NC will ensure that the composition of the Board is refreshed periodically. The tenure of each Director will be reviewed by the NC and the annual re-election of Directors will be contingent on the satisfactory annual evaluation of the Director's performance and contribution to the Board.

The activities of the NC in the discharge of its duties for the financial year ended 30 April 2025 are disclosed in the Nominating Committee Statement on page 55 to 56 of the Annual Report 2025.

### Appointment to the Board

All new nominees to the Board are reviewed and evaluated by the NC before a recommendation is made to the Board for appointment. Besides that, NC assists the Board in identifying and recommending suitable potential candidates with the relevant skill, knowledge and experience required including gender diversity for appointment as a director and for approval by the Board thereafter. In identifying candidates for appointment of directors, the Board does not necessarily rely on the recommendations from existing Board members, management or major shareholders. The Board will utilise independent sources to identify suitably qualified candidates, where necessary. If the selection of candidates was based on recommendation made by existing Directors, management or major shareholders, the NC will explain why these source(s) suffice and other sources were not used. In any case, the appointment and re-election of Directors will be subject to the candidate or Director meeting the criteria of the Company's Fit and Proper Policy. The Nominating Committee will apply Practice 5.1 of the Code for the re-election and re-appointment of Director which will be contingent on satisfactory evaluation of the Director's performance and contribution. Presently, the Board does not utilise any independent sources to identify suitably qualified candidates because the candidates identified have been reviewed and interviewed by the NC and have met the criteria for the selection of candidates to refresh the Board. During the financial year under review, Mr. Gan Poh Chan was appointed as the Independent Non-Executive Directors of the Company on 2 May 2024.

### Annual Evaluation

The Board carries out a formal and objective annual evaluation to determine the effectiveness of the Board, its committees and each individual Director. Please refer to the Nominating Committee Statement which discloses how the assessment was carried out and its outcome reported to the Board.

### Directors' Training

All newly appointed Directors will be on-boarded with a briefing by Senior Management on the structure and the business activities of the Group. Directors who have never attended the Mandatory Accreditation Programme ("MAP") will be registered to attend the Mandatory Accreditation Programme as prescribed under the MMLR of Bursa Securities. With effect from 6 June 2023, pursuant to the "Amendments to Bursa Securities MMLR in relation to Sustainability Training for Directors" ("Amendments"), the Directors are now also required to complete MAP Part II which focus substantively on sustainability in addition to the existing training for Directors in relation to corporate governance and a Director's roles, duties and liabilities ("MAP Part I").

As of to date, all the Directors of the Company have completed the MAP Part II.

The Directors will also attend training programmes that are prescribed by the Bursa Securities from time to time, and are encouraged to attend continuous education or suitable training programme each year to ensure that each Director receives regular briefings and updates on changes in risks, laws, regulations, economic, governance scenario and climate related matters affecting the business, and to continuously upgrade their knowledge and understanding of their roles and responsibilities as Directors and to enable the Directors to effectively discharge their duties and responsibilities.

## Corporate Governance Overview Statement

During the financial year ended 30 April 2025, the training programmes and seminars attended by the members of the Board of Directors were as follows:-

Name of Directors	Training Programme	Date of Training
Yap Toon Choy	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	29 – 30 May 2024
	2. Amendments To The Companies Act 2016 and Current Developments in SSM	27 September 2024
Yong Elaine	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	29 – 30 May 2024
	2. Cyber Security Awareness Talk	5 September 2024
	3. Amendments To The Companies Act 2016 and Current Developments in SSM	27 September 2024
	4. Climate Change and GHG Management	13 February 2025
	5. Integrity & Ethical Decision - Making in Manufacturing	12 April 2025
Khor Yew Chye	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	20 – 21 May 2024
	2. Amendments To The Companies Act 2016 and Current Developments in SSM	27 September 2024
	3. Case Study-Based MFRS Webinar: MFRS 15 Revenue from Contracts with Customers MPERS Section 23 & 34	19 February 2025
Jancy Oh Suan Tin	1. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	29 – 30 May 2024
	2. Amendments To The Companies Act 2016 and Current Developments in SSM	27 September 2024
	3. MIA Webinar Series: Tax Implications and Audit Issues on Cross Border Transactions: What's New in 2024?	3 October 2024
	4. MIA Webinar Series: Malaysia Taxation: An Advanced Course - A Practical Guide on Tax Principles and Practise (Module 3: Advanced Subjects(!))	9 October 2024
	5. Capital Gains Tax and Real Property Gains Tax	4 November 2024
Low Khoon Boon	1. Amendments To The Companies Act 2016 and Current Developments in SSM	27 September 2024
	2. Case Study-Based MFRS Webinar: MFRS 15 Revenue from Contracts with Customers MPERS Section 23 & 34	19 February 2025
Gan Poh Chan	1. Mandatory Accreditation Programme (MAP)	14 – 15 August 2024
	2. Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	27 – 28 November 2024
	3. Amendments To The Companies Act 2016 and Current Developments in SSM	27 September 2024
	4. Case Study-Based MFRS Webinar: MFRS 15 Revenue from Contracts with Customers MPERS Section 23 & 34	19 February 2025

## Corporate Governance Overview Statement

In addition to the above, the Board was briefed and updated by the Company Secretary on the following Circulars/ Amendments from Bursa Malaysia Securities Berhad:

- (a) Amendments To The Main Market Listing Requirements (Sustainability Reporting Requirements And Other Enhancements) on 26 March 2025.

### **Remuneration**

As recommended in Practice 7.1 of the Code, the Company has remuneration policies and practice which reward according to the different roles and responsibilities of Non-Executive Directors, Executive Directors and Senior Management.

The level and composition of remuneration of the Directors and Senior Management take into account the Company's desire to attract and retain the right talent in the Board and Senior Management to drive the Company's long-term objectives.

The Directors' remuneration packages are reviewed by the Remuneration Committee from time to time and be recommended to the Board for approval. The remuneration of the Directors and Senior Management takes into account the demand, complexities and performance of the Company as well as skills and experience required. The Company has specific policies and procedures to determine the remuneration of Directors and Senior Management. The remuneration of the Executive Directors consists of basic salary and other emoluments. Any salary review will take into account the role and responsibility, the market rates and the performance of the individual and the Group. The Non-Executive Directors' annual fees reflected their expected roles and responsibilities. In addition, Non-Executive Directors are paid a meeting allowance for each meeting they attended.

### **Remuneration Committee**

The Terms of Reference of the Remuneration Committee which deals with its activity and duties are available at the Company's website at [www.keinhing.com](http://www.keinhing.com).

The Remuneration Committee ("RC") was set-up on 6 December 2004 and is entrusted with the following responsibilities:

- (i) To assist the Board in developing and administering a fair and transparent procedure for setting policy on remuneration of directors and senior management to ensure that remuneration packages are determined on the basis of the directors' and senior management's merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics.
- (ii) To recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary.
- (iii) To ensure that the remuneration and incentives for Independent Directors do not conflict with their obligation to bring objectivity and independent judgement on the matters discussed at board meetings.
- (iv) To review and recommend to the Board, guidelines for determining remuneration of Non-Executive Directors.
- (v) To recommend to the Board any performance related pay schemes for Executive Directors.
- (vi) To review Executive Directors' service contracts.
- (vii) To consider the appointment of the service of such advisers or consultants as it deems necessary to fulfil its functions.

The members of the RC comprise exclusively of Non-Executive Directors; all of whom are independent.

The members of the RC are as follows:

Remuneration Committee Members	Designations	Directorship
Khor Yew Chye	Chairman	Senior Independent Non-Executive Director
Jancy Oh Suan Tin	Member	Independent Non-Executive Director
Low Khoon Boon	Member	Independent Non-Executive Director

## Corporate Governance Overview Statement

Details of the remuneration for the Directors of the Company for the financial year ended 30 April 2025 which are disclosed in compliance with Practice 8.1 of the Code are as follows:

	Group				Company	
	Directors' Fees RM'000	Salaries and Bonus RM'000	Allowances RM'000	Benefits-in-kind RM'000	Directors' Fees RM'000	Allowances RM'000
Yap Toon Choy	-	1,456	72	48	-	-
Yong Elaine	-	291	76	30	-	40
Khor Yew Chye	40	-	12	-	40	12
Jancy Oh Suan Tin	30	-	17	-	30	17
Low Khoon Boon	30	-	10	-	30	10
Gan Poh Chan	30	-	9	-	30	9

Details of the remuneration of the top five (5) senior management's remuneration component for the financial year ended 30 April 2025 are not disclosed on a name basis either in bands of RM50,000 (Practice 8.2) or in full details (Practice 8.3 – Step Up). This is a departure from Practice 8.2 and Practice 8.3 of the Code.

The Board is of the opinion that such disclosure would not be beneficial to the Company and to the individual Senior Management staff's interest because of the following reasons:

- (a) Confidentiality and sensitivity of personal information of Senior Management.
- (b) Will give rise to breach of personal data protection.
- (c) Security concerns for the Senior Management including their family members.
- (d) Can potentially create dissension among the staff.
- (e) Encourage staff pinching or poaching of executives in the industry.

However, the Board will ensure that the remuneration of Senior Management commensurate with the individual and the Company's performance, with due consideration to attract, retain and motivate Senior Management to lead and run the Company successfully.

### PRINCIPLE B

#### EFFECTIVE AUDIT AND RISK MANAGEMENT

##### I. Audit and Risk Management Committee

The Audit Committee ("AC") was formed on 6 December 2004 and renamed as Audit and Risk Management Committee ("ARMC") on 28 March 2019 with its terms of reference approved by the Board of Directors. The Terms of Reference of the ARMC is made available on the Company's website at [www.keinhing.com](http://www.keinhing.com).

The ARMC has four (4) members, all of whom are Independent Non-Executive Directors (Practice 9.4 – Step Up). The Chairman of the ARMC, Ms. Jancy Oh Suan Tin is a member of the Malaysian Institute of Accountants and is not the Chairman of the Board and hence, Practice 9.1 of the Code applies. Further, the composition of the ARMC meets with the requirements of paragraphs 15.09(1)(a), (b), (c)(i) and 15.10 of the MMLR of Bursa Securities.

## Corporate Governance Overview Statement

All the ARMC members are Independent Non-Executive Directors.

Audit and Risk Management Committee Members	Designations	Directorship
Jancy Oh Suan Tin	Chairman	Independent Non-Executive Director
Khor Yew Chye	Member	Senior Independent Non-Executive Director
Low Khoon Boon	Member	Independent Non-Executive Director
Gan Poh Chan (appointed on 2 May 2024)	Member	Independent Non-Executive Director

The Company has a policy that requires a former key audit partner of the External Auditors to observe a cooling-off period of at least three years before being appointed as a member of the ARMC (Practice 9.2). Currently, no former key audit partner is appointed as a member of the ARMC.

It is the ARMC's responsibility to assess the suitability, objectivity, capabilities and independence of the External Auditor and make recommendations to the Board on the appointment, re-appointment or termination of the External Auditor to safeguard the quality and reliability of audited financial statements. ARMC is satisfied with the work and performance of the External Auditors for its companies in Malaysia and in Vietnam.

Collectively, the ARMC possesses a wide range of necessary skills, experience and qualifications to discharge its duties.

All the ARMC members are financially literate, competent and are able to understand matters under the purview of the ARMC including the financial reporting process. All the ARMC members undertake continuous professional development to ensure that they keep abreast of the relevant developments in accounting and auditing standards, practices and rules (Practice 9.5). The qualifications and experience of the individual ARMC members are disclosed in the Directors' Profiles on page 5 to page 8 of the Annual Report 2025.

On 26 May 2023, Bursa Securities issued the Amendments in relation to Conflict of Interest ("COI"), the scope of the Audit Committee ("AC") has been expanded to include the review of COI situations that arose or persist (in addition to those that may arise) and the measures taken to resolve, eliminate or mitigate the COI and the AC is required to disclose a summary of any COI or potential COI situation within the listed issuer or group that it has reviewed (excluding a related party transaction) and the measures to resolve, eliminate or mitigate such conflicts. During the financial year ended 30 April 2025, no COI was reported to the ARMC.

### II. Risk Management and Internal Control Framework

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group's Risk Management and Internal Control System as recommended by Practice 10.1 of the Code. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard Shareholders' investment and the Group's assets.

The Board firmly believes that an effective risk management is critical to the Group's achievement of its business objectives and the enhancement of Shareholders' value. Therefore, the Board has implemented an effective risk management and internal control framework. The Board has established a formal enterprise risk management ("ERM") framework which provides an integrated and organised approach entity-wide. It outlines the ERM methodology, mainly promoting the risk ownership and continuous monitoring of key risks identified.

Under the ERM oversight structure, a Risk Management Coordinator ("RMC") has been appointed and is responsible to assist the ARMC in managing the effective implementation and maintenance of ERM. The roles and responsibilities of the RMC include, among others, organizing the required risk management resources, reviewing and updating the existing risk profile, ensuring that all action plans are acted upon, preparing quarterly Risk Management Reports for the ARMC's review and also assisting the ARMC in preparing Risk Management Reports for the Board's evaluation of the key risks faced by the Group.

## Corporate Governance Overview Statement

The Company does not have its own internal audit department. The Company's internal audit function is outsourced to professional internal audit service providers namely Naim Consulting, a firm of Chartered Accountants in Malaysia and Grant Thornton Vietnam Limited, a professional firm in Vietnam ("Internal Auditors"). The ARMC ensures that the Internal Auditors are independent and have no involvement in the operations of the Group whatsoever. The ARMC has full and direct access to the Internal Auditors, reviews the internal audit reports on all audits performed and monitors their performances. The Internal Auditors report directly to the ARMC. The ARMC also reviews the adequacy of the scope, functions, competency and resources of the outsourced internal audit function. The Internal Auditors provide the ARMC with periodic reports highlighting observations, recommendations and management action plans to improve the system of internal control of the key areas audited. The Internal Auditors carry out the internal audit function in accordance with the International Professional Practices Framework ("IPPF").

The internal audit personnel of Naim Consulting and Grant Thornton (Vietnam) Limited ("GTV") are free from any relationships or conflict of interest which could impair their objectivity and independence. Mr. Mohd Naim Abdullah, a Partner of Naim Consulting and a Chartered Accountant is responsible for the internal audit of the Company while Ms. Nguyen Thi Vinh Ha, the Advisory Service Partner of GTV and a Chartered Accountant is responsible for the internal audit of the Company's subsidiaries in Vietnam. The ARMC has assessed the resources of the Internal Auditors and is satisfied that they are to perform their work effectively and independently. The ARMC has complied with Practice 11.2 of the Code.

The Directors confirm that none of the internal audit personnel is a person connected to them or has any conflict of interest that could impair his/her objectivity and independence in conducting his/her internal audit function.

During the year under review, the ARMC has ensured within its scope that the internal audit function is effective and able to function independently in compliance with Practice 11.1 of the Code.

### PRINCIPLE C

### INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### **Communication with Stakeholders**

The Board acknowledges the importance of accountability, transparency and timely communication with its shareholders and stakeholders. Therefore, the Board applying Practice 12.1 of the Code ensures that there is effective, transparent and regular communication with its shareholders and stakeholders. The annual report and quarterly announcements remain the principal form of communication providing shareholders with an overview of the Group's activities and performance. In addition, shareholders and stakeholders are kept informed of changes in the Boardroom and board committees, corporate exercise, changes in substantial shareholders and/or shareholdings, intention of share buy-back, related party transactions and other matters as prescribed by the MMLR of Bursa Securities. All announcements are made via the Bursa Securities' Bursa Link and are posted on the Company's website at [www.keinhing.com](http://www.keinhing.com). Maintaining the effective communication with shareholders and stakeholders enables the Company to keep its shareholders and stakeholders informed of its progress and enabling the Company to better understand the shareholders' and other stakeholders' concerns and to take their concerns into account when making any decisions that may have an impact on the shareholders and other stakeholders.

Alternatively, the shareholders and other stakeholders can seek additional information through the Company's website at [www.keinhing.com](http://www.keinhing.com).

#### **Conduct of General Meetings**

Another channel of communication with shareholders is the Company's Annual General Meeting. It provides an informative and dynamic platform for shareholders to engage directly with the Company's Directors and Senior Management. According to Clause 62(a) of Company's Constitution, notice of Annual General Meeting will be circulated at least twenty-one (21) days before the date of the meeting to enable shareholders sufficient time to peruse the Annual Report and papers supporting the resolutions proposed. The 21 days' notice is within the requirement stipulated by the Companies Act, 2016 ("CA 2016") under Section 316 and Paragraph 9.19 of the MMLR of Bursa Securities. The Board is aware that Practice 13.1 of the Code encourages the Company to send out Notice for its Annual General Meeting to the shareholders at least 28 days prior to the meeting. Since the Notice of the Twenty-First Annual General Meeting ("21<sup>st</sup> AGM") was sent on 29 August 2024 while its 21<sup>st</sup> AGM was only held on 16 October 2024, the Company had complied with Practice 13.1 of the Code.

## Corporate Governance Overview Statement

Owing to the Covid-19 pandemic and the ensuing enforcement of certain standard operating procedures (SOP) to curb the spread of the virus, the 21<sup>st</sup> AGM of the Company which was held on 16 October 2024 was conducted fully virtual.

The Executive Chairman, the Group Managing Director and the Independent Directors were present at the Broadcast Venue besides the Financial Controller, the Company Secretary, and the External Auditors, and were available to response to any question that was addressed to them during the meeting. Practice 13.2 of the Code applied.

Shareholders, proxies, attorneys or authorized representatives were not allowed to attend the 21<sup>st</sup> AGM in persons at the Broadcast Venue on the day of the meeting, but eligible shareholders, proxies, attorneys and authorized representatives ("collectively referred to as shareholders hereafter") were able to attend the 21<sup>st</sup> AGM via Remote Participation and Voting Facilities ("RPV") at TIIH online website including exercising their rights to speak and vote. Proxy must be deposited with the Share Registrar of the Company at Tricor Investor & Issuing House Services Sdn. Bhd., Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia not less than 48 hours before the time fixed for convening the Meeting or at any adjournment thereof.

Shareholders were provided with a dedicated contact number and/or email to submit queries or request for technical assistance to participate in the fully virtual general meeting. Questions or remarks posted by the Shareholders during the 21<sup>st</sup> AGM were meaningfully responded to by the Board, and such questions and remarks were made visible to all the participants of the meeting. All the resolutions were tabled at the 21<sup>st</sup> AGM. The meeting proceedings and resolutions passed at the 21<sup>st</sup> AGM were properly recorded and minuted. A summary of the key matters discussed at the 21<sup>st</sup> AGM was posted on the Company's website at [www.keinhing.com](http://www.keinhing.com). All the resolutions tabled at the 21<sup>st</sup> AGM were voted by poll. Voting on all the resolutions commenced at any time after the 21<sup>st</sup> AGM started and ended with the Chairman's announcement that the voting was closed. Following the end of voting, the Scrutineer verified the poll results before giving to the Chairman to declare whether the resolutions were passed and carried. The 21<sup>st</sup> AGM and remote participation ended with the Chairman's announcement of the closure of the 21<sup>st</sup> AGM.

In light of the announcement made by the Securities Commission Malaysia and Bursa Malaysia Securities Berhad ("Bursa Malaysia") on 30 August 2024, all public listed companies on Bursa Malaysia will be required to conduct hybrid or physical general meetings starting from 1 March 2025. As such, the Company's 22<sup>nd</sup> AGM will be conducted physically at Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia. Notice of 22<sup>nd</sup> AGM will be sent out to the Shareholders on 29 August 2025 giving them more than 28 days notice. Thus, Practice 13.1 of the Code applies. The 22<sup>nd</sup> AGM of the Company will be held on 10 October 2025.

### Poll Voting

According to Paragraph 8.29A (1) of the MMLR, all resolutions set out in the notice of a general meeting should be put to vote by poll. Hence, the resolutions tabled at the Company's 21<sup>st</sup> AGM which was convened on 16 October 2024 was by poll voting. Tricor Investor & Issuing House Sdn. Bhd. ("Tricor") was appointed as Poll Administrator to conduct the poll by way of electronic voting (e-voting). Independent Scrutineers were appointed to observe the polling process and to verify the results of the poll. The Scrutineers confirmed the polling result of each resolution, which included the total votes given in favour and against the resolution. The Chairman of the Company announced the results of the poll. Shareholders were entitled to appoint proxy/proxies or corporate representative where the shareholder was a corporation to vote on his/its behalf at general meeting.

Shareholders/proxies/corporate representatives/attorneys could proceed to vote on the resolutions at any time from the commencement of the 21<sup>st</sup> AGM at 10.00 a.m. on Wednesday, 16 October 2024 but before the end of the voting session which was announced by the Chairman of the meeting.

The results of the poll were announced to Bursa Malaysia Securities Berhad and published on the Company's website at [www.keinhing.com](http://www.keinhing.com). Similarly, all resolutions tabled at the Company's 22<sup>nd</sup> AGM will be put to vote by poll in compliance with Paragraph 8.29(A)(i) of the MMLR.

As for the 22<sup>nd</sup> AGM, all resolution set out in the notice of AGM will also be put to vote by poll.

# Audit and Risk Management Committee Report

The Audit Committee ("AC") was formed on 6 December 2004 and renamed as Audit and Risk Management Committee ("ARMC") on 28 March 2019 with its terms of reference approved by the Board of Directors. Effectively, the ARMC now has an oversight function over the risk management of the Group. In compliance with Paragraph 15.11 of the MMLR The Terms of Reference of the ARMC is made available on the Company's website at [www.keinhing.com](http://www.keinhing.com).

## COMPOSITION

The ARMC comprises the following members during the financial year ended 30 April 2025, and up to 18 August 2025:

<b>Audit and Risk Management Committee Members</b>	<b>Designation</b>	<b>Directorship</b>
Jancy Oh Suan Tin	Chairman	Independent Non-Executive Director
Khor Yew Chye	Member	Senior Independent Non-Executive Director
Low Khoon Boon	Member	Independent Non-Executive Director
Gan Poh Chan (appointed on 2 May 2024)	Member	Independent Non-Executive Director

All the ARMC members are Independent Non-Executive Directors in compliance with Step Up Practice 9.4. The ARMC Chairperson, Jancy Oh Suan Tin is a member of the Malaysian Institute of Accountants and in compliance with Practice 9.1 of the Code she is not the Chairman of the Board. Hence, the composition of the ARMC meets with the requirements of paragraphs 15.09(1)(a), (b), (c)(i) and 15.10 of the MMLR where:

- the audit committee must be composed of not fewer than 3 members;
- the audit committee members must be non-executive directors, all of whom must be independent directors;
- at least one member of the audit committee must be a member of the Malaysian Institute of Accountants; and
- the Chairman of the audit committee is an independent director.

Collectively, the ARMC members possess a wide range of necessary skills to discharge their duties and are financially literate, competent and are able to understand matters under the purview of the ARMC including the financial reporting process.

All members of the ARMC have undertaken continuous professional development to keep themselves abreast of the relevant development in accounting and auditing standards, practices and rules.

## ATTENDANCE AND MEETINGS

The attendance of the ARMC members at the following ARMC meetings held during the financial year ended 30 April 2025 are outlined below:

<b>Dates of Meetings And Attendance</b>	<b>Audit and Risk Management Committee Members</b>				<b>Percentage of Attendance</b>
	<b>Khor Yew Chye</b>	<b>Jancy Oh Suan Tin</b>	<b>Low Khoon Boon</b>	<b>Gan Poh Chan (appointed on 2 May 2024)</b>	
26/06/2024	✓	✓	✓	X	75%
19/08/2024	✓	✓	X	✓	75%
27/09/2024	✓	✓	✓	✓	100%
16/12/2024	✓	✓	✓	✓	100%
26/03/2025	✓	✓	✓	✓	100%

## Audit and Risk Management Committee Report

In compliance with paragraph 15.13 of the MMLR, the ARMC invited the relevant employees, such as the Financial Controller, the Accountant and the Risk Management Coordinator to attend the ARMC meetings to brief and clarify specific matters or issues arising from the presentation of each of their respective agenda tabled at the ARMC meetings. The outsourced internal auditor in Malaysia, Mr. Mohd Naim Abdullah, Partner of Naim Consulting was invited to attend the ARMC meeting every quarter to present the internal audit report to the ARMC. The Internal Auditors for the Vietnam Subsidiaries, Messrs. Grant Thornton (Vietnam) Limited presented their internal audit report to the ARMC through Mr. Kok Mun Choon, the Financial Controller.

After each ARMC meeting, the Chairman of the ARMC will report to the Board of Directors at the Board meeting held following the ARMC meeting on salient matters/issues discussed, deliberated and/or dealt with at the ARMC meetings and recommendations made by the ARMC for the Board's consideration and where appropriate for the Board's approval. In this way, the ARMC keeps the Board immediately informed on all agenda tabled at the ARMC meeting and the related outcome without having to wait for the minutes of the ARMC meeting to be prepared. The minutes of the ARMC meetings are recorded and prepared by the Company Secretary within a reasonable time and tabled to the ARMC for review and confirmation at the next following ARMC meeting. Subsequently, upon confirmation, the ARMC minutes are given to the Board for notation.

For the financial year ended 30 April 2025, the Nominating Committee ("NC") had reviewed the terms of office and performance of the ARMC and each of its members on 25 June 2025 in accordance with paragraph 15.20 of the MMLR. The NC was satisfied that the ARMC and its members had discharged their functions, duties and responsibilities in accordance with the ARMC's Terms of Reference.

### SUMMARY OF WORK

During the financial year ended 30 April 2025 ("FY2025"), the ARMC's activities were as follows:

#### (i) Minutes of the Previous Meeting and Matters Arising Therefrom

The ARMC reviewed and confirmed the Minutes of the previous ARMC Meetings and dealt with the matters arising therefrom, if any.

#### (ii) Unaudited Quarterly Results

The ARMC reviewed the Unaudited Group Results which were prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134: *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") including Appendix 9B of the MMLR for the fourth (4<sup>th</sup>) quarter of FY2024, and the first (1<sup>st</sup>), second (2<sup>nd</sup>) and third (3<sup>rd</sup>) quarters of FY2025 at the ARMC meetings held on 26 June 2024, 27 September 2024, 16 December 2024 and 26 March 2025 respectively prior to recommending them for approval at the respective Board of Directors' Meetings held following each of the ARMC meetings.

#### (iii) Group Budget 2025

At the ARMC Meeting held on 26 June 2024, the ARMC reviewed and recommended the Group Budget 2025 to the Board for approval.

#### (iv) Audited Financial Statements

The ARMC reviewed the report on the status of the audit for the financial year ended 30 April 2024 presented by the External Auditors KPMG PLT ("KPMG") comprising amongst others, key findings, key audit matters and significant risk areas arising from the audit at the ARMC meeting held on 26 June 2024.

## Audit and Risk Management Committee Report

At a subsequent ARMC meeting held on 19 August 2024, the ARMC went through the External Auditors' report presented by KPMG and noted that all outstanding matters reported earlier in respect of the audit of the Group for the financial year ended 30 April 2024 had been cleared and that KPMG had issued a clean report on the audit as well as on the Statement of Risk Management and Internal Control. At this meeting, the audited financial statements for the financial year ended 30 April 2024 together with the reports of the Auditors and Directors were tabled for the ARMC's review before the ARMC recommended them to the Board for approval.

In reviewing the Unaudited Group Results for each quarter and the audited financial statements for the financial year ended 30 April 2024, the ARMC had reviewed with the Financial Controller the following:

- (a) changes in or implementation of major accounting policy changes;
- (b) significant matters highlighted including financial reporting issues, significant judgements made by the Management, significant and unusual events or transactions, and how these matters were addressed;
- (c) changes to the audit report particularly key audit matters;
- (d) compliance with accounting standards and other legal requirements;
- (e) fraud; and
- (f) related party transactions.

### **(v) External Audit**

The status of the audit for the financial year ended 30 April 2024 and the audit report presented by KPMG were reviewed by the ARMC at the ARMC meeting held on 26 June 2024 and 19 August 2024 respectively.

The ARMC also met with KPMG in the absence of the Executive Directors and Management during the current financial year under review on 26 June 2024. KPMG highlighted that the Management should emphasise on succession planning, implementation of e-Invoicing and ESG Key Performance Indicators. Except for the above, KPMG reported that there was nothing material to highlight and had appreciated for all the cooperation received from the Company and management.

At the ARMC meeting held on 26 March 2025, the ARMC reviewed and discussed the External Audit Plan for the financial year ending 30 April 2025 and the External Audit Plan was duly approved. The ARMC also reviewed KPMG's proposed total audit and non-audit fees of RM187,000 for FY2025 for the audit of the Company and its wholly-owned subsidiary namely Kein Hing Industry Sdn. Bhd., together with the review of the Statement on Risk Management and Internal Control and had recommended it to the Board for approval. KPMG also highlighted their Transparency Report to the ARMC.

Subsequent to the financial year end, at the ARMC meeting held on 26 June 2025, the ARMC went through the Audit Status with KPMG and obtained clarification and explanation from the audit partner of KPMG regarding the audit status and outstanding matters, key audit matters, the significant risk areas, component auditors' work, uncorrected audit misstatements, related party transactions and other audit findings. In the process, KPMG also highlighted and discussed matters relating to management judgments and estimates regarding revenue recognition, impairment of trade receivables and contract assets, valuation of inventories, management override of controls, impairment of property, plant and equipment and inventories and insurance compensation.

At the same meeting, KPMG had declared to the ARMC that they were independent for the purpose of the audit in accordance with the terms of the relevant professional and regulatory requirements.

The ARMC had in the ARMC Meeting held on 18 August 2025 reviewed the performance of KPMG notably with regards to KPMG's resources and timeliness in completing the Company's audit and had recommended KPMG to be re-appointed as auditors of the Company for the ensuing year at the forthcoming Twenty-Second Annual General Meeting of the Company at a fee to be determined by the Board of Directors.

## Audit and Risk Management Committee Report

### (vi) Risk Management

The ARMC reviewed four (4) Risk Management Reports at the ARMC meetings held on 26 June 2024, 27 September 2024, 16 December 2024 and 26 March 2025 respectively. The Risk Management Coordinator had briefed the ARMC by going through the risk scorecard and risk profile. The ARMC was satisfied that the risk plans or risk controls had been implemented by the Management and the risks are kept within the scale of low risk. Accordingly, the ARMC had recommended the Quarterly Risk Management Reports to the Board for approval.

### (vii) Internal Audit

The Internal Audit function of the Company is outsourced to Naim Consulting, a firm of Chartered Accountants in Malaysia and Grant Thornton (Vietnam) Limited, a professional firm in Vietnam ("Internal Auditors"). The Internal Auditors report directly to the ARMC.

During the financial year ended 30 April 2025, Naim Consulting had made four (4) audit visits to carry out their duties and had presented the following Internal Audit Reports to the ARMC pursuant to their internal audit review of the following audit areas in the Internal Audit Plan approved by the ARMC at the following ARMC meetings:

Internal Audit Report	Audit Committee and Risk Management Meetings
<b>Internal Audit carried out in Malaysia by Naim Consulting</b>	
• Purchasing's policies and procedures in relation to consumable purchase management in Kein Hing Industry Sdn Bhd ("KHI").	26 June 2024
• Human Resource's policies and procedures in relation to foreign workers' welfare in KHI; and	27 September 2024
• Half-yearly review of the Group's related party transactions.	
• Control and custody of measuring equipment in two (2) factories operated and owned by KHI.	16 December 2024
• KHI's IT data security and software licence management.	
• Half-yearly review of the Group's related party transactions.	26 March 2025
<b>Internal Audit carried out in Vietnam by Grant Thornton (Vietnam) Limited</b>	
• Warehouse operation, inventory control and customs compliance at the factory in Vietnam operated and owned by Kein Hing Muramoto (Vietnam) Co., Ltd.	26 March 2025

The overall opinion of Naim Consulting regarding their audit review of the above audit areas in Malaysia was "Satisfactory".

The ARMC had reviewed the Internal Audit Function and was satisfied that it is adequate, functioning independently and properly.

The overall assessment result of Grant Thornton (Vietnam) Limited on the Warehouse Management of Kein Hing Muramoto (Vietnam) Co., Ltd. was satisfactory, too.

At the Board meeting following each of the ARMC meetings, the Chairman of the ARMC had briefed the Board on the Internal Audit Report of the Internal Auditors.

At the ARMC Meeting held on 26 March 2025, ARMC had reviewed and approved the Internal Audit Plan of Kein Hing Industry Sdn. Bhd. and Kein Hing Muramoto (Vietnam) Co., Ltd. for the financial year ending 30 April 2026.

## Audit and Risk Management Committee Report

### **(viii) Related Party Transactions and Conflict of Interest**

On 26 June 2024, 27 September 2024, 16 December 2024 and 26 March 2025, the ARMC reviewed the related party transactions and conflict of interest situations (where applicable) that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

Up to the date of this report, there were no related party transactions and conflict of interest situations brought to the attention of the ARMC except for the recurrent related party transactions which will be tabled to the shareholders for approval at the forthcoming Twenty-Second Annual General Meeting of the Company to obtain the renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature as contained in the Circular to Shareholders to be issued on 29 August 2025. There were neither new related party or parties nor new recurrent related party transactions for the financial year ended 30 April 2025.

The ARMC reviewed on a quarterly basis the Management's list of related parties and the recurrent related party transactions of a revenue and trading nature which are mainly rental paid for premises used as factories, warehouse and accommodation for employees. To ensure that all recurrent related party transactions are undertaken on an arm's length basis and on the Group's normal commercial terms consistent with the Group's usual business arrangements, practices and policies and on prices and terms not more favourable to the related parties than those generally available to the public and will not be detrimental to the minority shareholders, the ARMC had authorised the Internal Auditors, Naim Consulting to conduct half yearly internal audit review on behalf of the ARMC on the adequacy of the review methods or procedures of the KHB Group established by Management to identify, evaluate, report and monitor the recurrent related party transactions and to ensure that Management follows the review methods or procedures in accordance with the Review Methods or Procedures as set out in paragraph 4.1 of the Proposed Renewal of Shareholders' Mandate for recurrent related party transactions of a revenue or trading nature in the Circular to Shareholders dated 29 August 2025. The Internal Auditors were satisfied that the Management had complied with the Review Methods or Procedures to identify, evaluate, report and monitor the recurrent related party transactions of a revenue or trading nature.

During the financial year ended 30 April 2025, there were no Conflict of Interest ("COI") situations within the Company or the Group tabled by Management for the ARMC's review including those that arose or persisted (in addition to those that may arise) and the measures taken to resolve eliminate or mitigate the COI.

### **(ix) Anti-Corruption Risk Reports**

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018") which was effective from 1 June 2020, the Group's Anti-Corruption Policy, Anti-Bribery and Corruption Statement and Whistleblowing Policy have been approved by the Board of Directors and uploaded to the Company's website at [www.keinhing.com](http://www.keinhing.com) since 26 March 2020. The ARMC had also reviewed the Anti-Corruption Policy, Anti-Bribery and Corruption Statement and Whistleblowing Policy of the Group at least once a year at the ARMC meetings held on 26 March 2025, and had submitted them to the Board for approval on the same date.

For the financial year ended 30 April 2025, the ARMC received Yearly Anti-Corruption Risk Reports on 27 September 2024. The Risk Management Coordinator highlighted, explained and answered satisfactorily questions raised by the Directors related to the corruption risks identified.

The top three (3) key corruption risks identified and their risk status for the financial year ended 30 April 2025 were declining. The decline in the three key corruption risks was due mainly to the strict implementation of the risk treatment and controls by top management with the full support of the Group Managing Director and Executive Chairman.

In summary, the ARMC was satisfied that the Group:

- (a) has adequate procedures in place to prevent and detect corruption, and protect the Group against possible penalties and corporate liabilities under Section 17A of the MACC Act 2018.
- (b) will consider and assess the various implications of corruption risks arising from corruption acts or practices of its employees and/or its associates. All risks identified are evaluated and documented together with the controls mitigating these risks and the personnel accountable for them.

## Audit and Risk Management Committee Report

### (x) Revised ARMC's Terms of Reference

During the ARMC meeting held on 26 June 2024, the ARMC had reviewed the revised terms of reference of the ARMC. The revised terms of reference of the ARMC which was recommended to the Board for approval was duly approved. The revised terms of reference of the ARMC has been uploaded to the Company's website at [www.keinhing.com](http://www.keinhing.com).

### (xi) Group Risk Management Policy

The ARMC had reviewed the Group Risk Management Policy of the Company at the ARMC meeting held on 26 June 2024 and had recommended it to the Board for approval.

### (xii) Others

The ARMC had also reviewed the Board Charter, Code of Conduct and Ethics, Corporate Disclosure Policy, Sustainability Policy, Gender Diversity Policy and Whistleblowing Policy of the Group at least once a year at the ARMC meetings held on 27 September 2024 and 26 March 2025 respectively, and had submitted them to the Board for approval during the financial year ended 30 April 2025. The implementation of the Code of Conduct and Ethics and Whistleblowing Policy by the Group is in compliance with paragraph 3.1 and paragraph 3.2 of the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"). The approved Board Charter, Code of Conduct and Ethics and Whistleblowing Policy have been uploaded to the Company's website at [www.keinhing.com](http://www.keinhing.com).

The above Audit and Risk Management Committee Report was approved at the Board of Directors' Meeting held on 18 August 2025.

## Nominating Committee Statement

**The Nominating Committee ("NC") met on 26 June 2024 and 26 March 2025 during the financial year under review with full attendance of the NC members at these meetings, namely Mr. Khor Yew Chye (Chairman), Ms. Jancy Oh Suan Tin (Member) and Mr. Low Khoon Boon (Member) who are all Independent Non-Executive Directors.**

**The following is the summary of the activities of the NC of the Company in discharge of its duties for the financial year ended 30 April 2025.**

### **NC Meeting held on 26 June 2024**

The NC conducted an evaluation of the performance of the Directors for the previous financial year ended 30 April 2024. All Directors except Mr. Gan Poh Chan who was appointed on 2 May 2024 completed the Evaluation of Performance Form which covered the Board Evaluation, Director's Self and Peer Evaluation, Evaluation of the Group Financial Controller, Evaluation of the Independence of Directors and Evaluation of the Audit and Risk Management Committee and its members. In the process, Directors have reviewed, assessed and answered the queries in the Evaluation of Performance Form, giving comment, where appropriate regarding the size of the Board, the required mix of skills, experience, performance and contribution of Directors; effectiveness of the Board as a whole; independence of Independent Directors and training courses attended by the Directors. Following the evaluation, the Company Secretary prepared a Summary of the Results of the Evaluation and tabled to the NC for its review. NC collated the results and reported to the Board together with the recommendations for improvement, where applicable. For the year under review the NC concluded that the Board as a whole and its committees were effective and the Directors have the necessary skills, experience and qualification and NC was also satisfied with the current composition and performance of the Board. Based on the results of the evaluation received for Mr. Kok Mun Choon ("Mr. Kok"), the Financial Controller, the NC agreed that Mr. Kok has the character, experience, integrity, technical knowledge and the commitment to be the Financial Controller of the Group.

The NC had conducted an evaluation of the term of office and performance of the Audit and Risk Management Committee ("ARMC") for the financial year ended 30 April 2024, and reviewed and assessed the composition and quality of the ARMC, their understanding of the business including risks; processes and procedures; oversight of the financial reporting process, internal controls; oversight of audit functions; ethics and compliance; and monitoring activities. Following the evaluation, the NC concluded that the ARMC and its members have been effective in discharging their responsibilities to ensure the quality, integrity and appropriateness of the financial accounting and reporting system, and have carried out their duties in accordance with the terms of reference of the ARMC.

The NC had on 26 June 2024 reviewed the retirement of Directors by rotation at the Twenty-First Annual General Meeting of the Company in accordance with Clause 92 of the Company's Constitution, and had recommended the re-election of Mr. Yap Toon Choy and Madam Yong Elaine who being eligible to be re-elected, had consented to be re-elected.

The NC reviewed the Terms of Reference of the Nominating Committee and recommended the same to the Board to continue to be published on the Company's website at [www.keinhing.com](http://www.keinhing.com).

With regards to Gender Diversity, the NC is fully conversant of the benefit and contribution of a diverse Board to the decision making process and performance of the Company and had adopted a Gender Diversity Policy approved by the Board at its meeting held on 28 June 2019. In connection to this, the Malaysian Code on Corporate Governance 2021 ("the Code") has set the requirement for Board of Directors to have at least 30% Women Directors in the Board of Director. Subsequent to this NC meeting held on 26 June 2024, the Company has achieved the 30% women participation on the Board of Directors as the Company has two (2) women Directors namely Madam Yong Elaine and Ms. Jancy Oh Suan Tin in compliance with Practice 5.9 of the Code. By virtue of this, the Company has also met the requirement of the Amendment to the Main Market Listing Requirements dated 19 January 2022 which requires Listed Issuers to have at least 1 woman director by 1 June 2023.

## Nominating Committee Statement

The NC had reviewed and discussed the succession plan of the Group. The Group's organisation structure has been in place showing the succession for all the positions of the Executive Directors and Senior Management and the back-up plan for each of those positions. New, young employees and professionals are recruited to replace the old and retiring employees. Employees who have reached the age of 60 years are automatically retired.

The NC had reviewed the Nominating Committee Report and recommended to the Board for approval and inclusion in the Annual Report 2025.

### **NC Meeting held on 26 March 2025**

The NC carried out the annual review of the Evaluation of Performance Form to be used for financial year ending 30 April 2025 for amendment or revision before recommending it to the Board of Directors for approval and release to the Directors for completion.

The NC had reviewed the time commitment of the Directors and concluded that all the Directors had committed and contributed their time and effort to serve the Board and the Committees in the best interest of the Company.

The NC had reviewed the Conflict of Interest Declaration Form and had recommended to the Board for approval.

The above Nominating Committee Statement was approved at the Board of Directors' Meeting held on 18 August 2025.

# Statement on Risk Management and Internal Control

## INTRODUCTION

The Malaysian Code on Corporate Governance 2021 promulgates, inter-alia, the need for listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and Group's assets. The Board of Directors ("Board") of Kein Hing International Berhad is pleased to present the Statement on Risk Management and Internal Control (the "Statement") which is in compliance with paragraph 15.26(b) and Practice Note 9 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and has taken into account the guidelines mentioned in the Statement on Risk Management & Internal Control (Guidelines for Directors of Listed Issuers).

## BOARD'S RESPONSIBILITY

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group's Risk Management and Internal Control System. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard shareholders' investment and the Group's assets.

Whilst acknowledging its responsibilities, the Board is aware of the limitations that are inherent in internal control and risk management systems which are designed to manage, rather than eliminate, the risks that may impede the achievement of the Group's business objectives. Accordingly, it can only provide a reasonable, but not absolute assurance against material misstatement or losses, fraud or breaches of laws or regulations.

## ROLE OF THE MANAGEMENT

Management is responsible for assisting the Board in implementing the processes for identifying, evaluating, monitoring and reporting risks and internal controls throughout the period. For the financial year under review, the Board has received assurance from the Managing Director and Financial Controller that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects, based on the risk management and internal control system of the Group.

## KEY RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES

### Risk Management Framework

The Board firmly believes that an effective risk management is critical to the Group's achievement of business objectives and the enhancement of shareholder value. Therefore, the Board has put in place a formal enterprise risk management ("ERM") framework. This framework aims to provide an integrated and organised approach entity-wide. It outlines the ERM methodology, mainly promoting the risk ownership and continuous monitoring of key risks identified. The ERM framework is continually monitored to ensure that it is responsive to the changes in the business environment.

Under the ERM oversight structure, a Risk Management Coordinator ("RMC") has been appointed and is responsible for assisting the Audit and Risk Management Committee ("ARMC") in managing the effective implementation and maintenance of ERM. The roles and responsibilities of the RMC include, among others, organising the required risk management resources, reviewing and updating the existing risk profile, ensuring that all action plans are acted upon, preparing quarterly Risk Management Reports for submission to the ARMC and also assisting the ARMC in preparing Risk Management Reports for submission to the Board.

There is a requirement to submit quarterly Risk Management Reports by the respective heads of department to the RMC. During the current period under review, the RMC has chaired four (4) quarterly risk management meetings where the respective department heads had presented their risk scorecard, risk profile and key risk profile. Together with the department heads, the RMC compiled and evaluated the risk profiles for each of the departments in accordance with their business risk factors, its corresponding ratings and any subsequent action plans required. Subsequent to the meetings, the RMC had also prepared four (4) quarterly Risk Management Reports for submission to the ARMC for review and after the review, the ARMC was satisfied that action plans had been implemented by the Management and the risks were kept within the scale of low risk. Therefore, the ARMC had recommended the quarterly Risk Management Reports to the Board for approval and the Board had approved them after due deliberation.

## Statement on Risk Management and Internal Control

### Internal Audit Function

Pursuant to Paragraph 9.25(1), Part A of Appendix 9C(30) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Board is pleased to set out below its internal audit function.

The Group's internal audit function is outsourced to professional internal audit service providers in Malaysia and in Vietnam. The outsourced Internal Auditors are independent as they have no involvement in the operations of the Group. The outsourced Internal Auditors report directly to the ARMC.

The ARMC has full and direct access to the Internal Auditors, reviews their reports on all audits performed and monitors their performance. The ARMC also in its framework reviews the adequacy of the scope, functions, competency and resources of the outsourced internal audit function.

The outsourced Internal Auditors carried out internal audits on various operating units within the Group based on a risk-based audit plan approved by the ARMC. Based on these audits, the outsourced Internal Auditors provided the ARMC with reports highlighting observations, recommendations and management action plans to improve the system of internal control.

During the current financial year under review, a summary of activities carried out by the outsourced Internal Auditors include:

- Developed the internal audit plan for the financial year ending 30 April 2026 which had been approved by the ARMC on 26 March 2025.
- Performed six (6) internal audit reviews, once on each of the areas relating to:
  - (1) Human Resource's policies and procedures in relation to foreign workers' welfare in Kein Hing Industry Sdn. Bhd. ("KHI");
  - (2) Control and custody of measuring equipment in two (2) factories operated and owned by KHI located within Seri Kembangan, Selangor Darul Ehsan, Malaysia;
  - (3) IT data security and software license management in KHI;
  - (4) Purchasing's policies and procedures in relation to consumable purchase management in KHI;
  - (5) Half-yearly review of related party transactions carried out in September 2024 and March 2025 respectively; and
  - (6) Warehouse operation, inventory control and customs compliance at the factory in Vietnam operated and owned by Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV").
- Issued reports on the results of the internal audit reviews, identifying weaknesses with suggested recommendations for improvements to the Management for further action to improve the system of internal control.
- Attended ARMC's meetings to present and discuss the audit reports.
- Followed-up on the implementation of corrective action plans as agreed by the Management.

During the financial year, the ARMC had met four (4) times to carry out its responsibility in reviewing the internal audit function and to assure itself on the soundness of internal control system. The total fees incurred for the outsourced internal audit function in Malaysia and Vietnam in respect of the financial year under review amounted to RM26,907.

### Other Key Elements of Internal Control

Apart from the above, the other key elements of internal control include:

- **The Board and Audit and Risk Management Committee**

The Board is responsible for the overall effectiveness of the Group's risk management and internal control systems through establishing, directing and supervising the operation of an ERM framework that adequately manages the various risks faced by the Group whilst the ARMC is overall responsible for providing assurance to the Board, as an independent party, on the effectiveness of the internal control systems and risk management in the Group.

The daily running of business is entrusted to the Managing Director and the Management team. Under the purview of the Managing Director, the respective heads of each operating subsidiary and department of the Group are empowered with the responsibility to manage their respective operations.

## Statement on Risk Management and Internal Control

- **Group Values and Code of Conduct**

In order to inculcate a standard of ethical behaviour for directors and employees of the Group, a Code of Conduct and Ethics has been established and communicated to all directors and employees of the Group. The Group's practice is guided by the Code of Conduct and Ethics.

The Group also maintains a Whistleblowing Policy to allow employees to raise concerns without fear of reprisals on possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, and in an appropriate way. Under the Group's Whistleblowing Policy, the employee should immediately report any malpractice that exists in the work place to his/her manager. However, if the employee feels reluctant to do so, the employee has an option to report it to the Chairman of the Board.

- **Anti-Corruption Policy**

The Board has on 26 March 2025 reviewed and approved the Anti-Corruption Policy on a yearly basis in order for the Group to implement and enforce effective policies and procedures to prevent, monitor and eliminate bribery and corruption. The Group upholds a zero-tolerance approach against all forms of bribery and corruption. Employees and others acting for or on behalf of the Group are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to the Group's business and operations.

- **Organisational Structure and Authorisation**

In striving to operate a sound system of risk management and internal control that drives the Group towards achieving its goals, the Board has put in place an organisation structure with formally defined lines of responsibility and delegation of authority.

The Head Office coordinates the process for the Group for the coming year wherein the budgets are approved at operating unit level and ultimately by the Board. Major decisions that require the approval of the Board are only made after detailed appraisal and review. Proposals for major capital expenditure and new investment by the Group are reviewed and approved by the Board.

- **Information and Communication**

The ARMC holds meetings to deliberate on the findings and recommendations for improvement by the Internal Auditors on the state of the internal control system and reports to the Board. The ARMC also reviews and deliberates on any matters relating to internal control highlighted by the External Auditors in the course of their statutory audit of the financial statements of the Group.

Quarterly performance reports provide the Management and the Board with information on financial performance and key business indicators.

- **Monitoring and Review**

Scheduled meetings of the Board, Board Committees and the Management represent the main platform by which the Group's performance and conduct is monitored.

Reviews of adequacy and integrity of selected areas of internal control system are carried out by the internal audit function and results of such reviews are reported to the ARMC. The internal audit function thereby provides independent assurance on the areas reviewed by the internal audit function to the Board on the effectiveness of the Group's internal control system.

In addition, the Management reports to the Board on a quarterly basis through the ARMC on the key risk profile of the Group.

## Statement on Risk Management and Internal Control

### Review of the Statement by External Auditors

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

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

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

### Conclusion

For the financial year under review and up to the date of issuance of the financial statements, the Board is satisfied with the adequacy and effectiveness of the Group's risk management and internal control system. There were no material losses that have arisen from any inadequacy or failure of the Group's system of internal control which required additional disclosure in the financial statements.

The improvement of the system of internal controls is an on-going process and the Board maintains on-going commitment to strengthen the Group's control environment and processes.

This Statement is made in accordance with the resolution of the Board of Directors dated 18 August 2025.

# Additional Disclosure Requirements

Pursuant to the Bursa Malaysia Securities Berhad Main Market Listing Requirements

## **Utilisation of Proceeds**

There were no proceeds raised by the Group from any corporate proposals during the financial year.

## **Material Contracts**

During the financial year under review, there were no material contracts, including those related to loans, entered into by the Company and/or subsidiary companies, which involved Directors' and major shareholders' interests.

## **Audit and Non-Audit Fees**

Audit and non-audit fees paid by the Group and the Company for the financial year ended 30 April 2025 are as follows:

	<b>Group (RM)</b>	<b>Company (RM)</b>
<b>Audit fees</b>		
- KPMG Malaysia	173,000	53,000
- Overseas affiliates of KPMG Malaysia	133,783	-
- Other auditors	12,800	-
<b>Total</b>	<b>319,583</b>	<b>53,000</b>
<b>Non-audit fees</b>		
- KPMG Malaysia	14,000	14,000
- Local affiliates of KPMG Malaysia	26,450	6,800
- Other auditors	5,500	-
<b>Total</b>	<b>45,950</b>	<b>20,800</b>
<b>Grand Total</b>	<b>365,533</b>	<b>73,800</b>

Non-audit fees paid by the Company and the Group to the External Auditors was RM14,000 for the review of the Statement on Risk Management and Internal Control.

Non-audit fees paid by the Company and the Group further include tax compliance and other services provided by local affiliates of the External Auditors and also other auditors of subsidiary companies.

## **Recurrent Related Party Transactions of A Revenue or Trading Nature ("RRPTs")**

Details of the Group's RRPTs made during the financial year ended 30 April 2025 pursuant to the shareholders' mandate obtained by the Company at the Twenty-First (21<sup>st</sup>) AGM held on 16 October 2024 are disclosed in the Note 26 of the Audited Financial Statements on pages 127 to 128 of the Annual Report 2025.

# Statement on Directors' Responsibility

In Relation to the Financial Statements

As required by the Companies Act 2016 ("the Act") and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the financial statements have been prepared in accordance with applicable Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Act in Malaysia.

In preparing the financial statements for the financial year ended 30 April 2025, the Directors have ascertained that:

- appropriate accounting policies have been consistently applied;
- reasonable and prudent judgments and estimates have been made; and
- going concern basis is applied.

The Directors are responsible for ensuring that the Group maintains accounting records that disclose with reasonable accuracy of the financial position of the Group and the Company, and which enable them to ensure that financial statements comply with the Act.

The Directors are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# FINANCIAL STATEMENTS

Directors' Report	64
Statements of Financial Position	69
Statements of Profit or Loss and Other Comprehensive Income	70
Consolidated Statement of Changes in Equity	71
Statement of Changes in Equity	73
Statements of Cash Flows	74
Notes to the Financial Statements	78
Statement by Directors	130
Statutory Declaration	131
Independent Auditors' Report	132

# Directors' Report

For The Year Ended 30 April 2025

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

## PRINCIPAL ACTIVITIES

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

## SUBSIDIARIES

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

## RESULTS

	Group RM	Company RM
Profit/(Loss) for the year attributable to:		
Owners of the Company	12,134,166	(195,101)
Non-controlling interests	3,596,805	-
	<u>15,730,971</u>	<u>(195,101)</u>

## RESERVES AND PROVISIONS

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

## DIVIDENDS

Since the end of the previous financial year, the Company paid the first and final single tier dividend of 2.5 sen per ordinary share totalling RM2,722,500 on 21 November 2024 in respect of the financial year ended 30 April 2024 as reported in the Directors' Report of that year.

The first and final single tier dividend recommended by the Directors in respect of the financial year ended 30 April 2025 is 2.5 sen per ordinary share totalling RM2,722,500. This dividend will be recognised in the subsequent financial year upon approval by the shareholders in the forthcoming Annual General Meeting.

## DIRECTORS OF THE COMPANY

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

Yap Toon Choy  
 Yong Elaine  
 Khor Yew Chye  
 Jancy Oh Suan Tin  
 Low Khoon Boon  
 Gan Poh Chan (appointed on 2 May 2024)

## Directors' Report

For The Year Ended 30 April 2025

### DIRECTORS' INTERESTS IN SHARES

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

Company	Number of ordinary shares		
	At 1.5.2024	Bought	At 30.4.2025
Direct interest			
Yap Toon Choy	41,172,582	-	<b>41,172,582</b>
Yong Elaine	22,762,077	-	<b>22,762,077</b>

By virtue of their interests in the shares of the Company, Yap Toon Choy and Yong Elaine are also deemed interested in the shares of the subsidiaries during and as the end of the financial year to the extent that Kein Hing International Berhad has an interest.

None of the other Directors holding office at 30 April 2025 had any interest in the 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 those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The details of the remuneration paid by the Group and the Company to Directors of the Group and the Company who served during the financial year are as follows:

Directors of the Company	From the Company	From subsidiary companies
	RM	RM
- Fees	130,000	-
- Remuneration	88,000	1,806,800
- Contributions to Employees' Provident Fund	-	47,920
- Others (including estimated monetary value of benefits-in-kind)	-	78,468
	218,000	1,933,188

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.

## Directors' Report

For The Year Ended 30 April 2025

### ISSUE OF SHARES AND DEBENTURES

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

There were no debentures issued during the financial year.

### OPTIONS GRANTED OVER UNISSUED SHARES

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

### INDEMNITY AND INSURANCE COSTS

During the financial year, there is no indemnity given to or professional indemnity insurance effected for Director, officer or external auditors of the Group and of the Company.

### RELIEF GRANTED PURSUANT TO SECTION 247(3)

Relief has been granted by the Registrar of Companies pursuant to its powers under Section 247(7) of the Companies Act 2016 to allow the following Vietnamese subsidiaries of the Company to have a different financial year end from the Company's financial year end of 30 April 2025 on the ground that the Accounting Law in Vietnam stated that "Annual accounting period shall last 12 months from early of January 1 to the end of December 31 of each calendar year. Accounting companies that have their distinctive features in respect of organisation and operation shall be entitled to select annual accounting period as full 12 months according to calendar year, starting from the 1st of the month of one quarter to the end of the last date of the last month of previous quarter of the following year and inform the finance agency."

Vietnamese Subsidiaries	Financial Year End
Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV")	31 March 2025
Kein Hing Thai Nguyen (Vietnam) Co., Ltd. ("KHTV")	31 March 2025
Kein Hing Muramoto (Hung Yen) Joint Stock Company ("KMHM")	31 March 2025

## Directors' Report

For The Year Ended 30 April 2025

### OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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

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

## Directors' Report

For The Year Ended 30 April 2025

### SIGNIFICANT EVENTS

Details of the significant events are disclosed in Note 28 to the financial statements.

### SUBSEQUENT EVENT

Details of the subsequent event are disclosed in Note 29 to the financial statements.

### AUDITORS

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

The details of remuneration of the Group and of the Company during the financial year are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration				
- Statutory audit				
KPMG	<b>173,000</b>	160,000	<b>53,000</b>	48,000
Overseas affiliates of KPMG	<b>133,783</b>	120,564	-	-
Other auditors	<b>12,800</b>	12,000	-	-
- Other services				
KPMG	<b>14,000</b>	13,000	<b>14,000</b>	13,000
Local affiliates of KPMG	<b>26,450</b>	24,250	<b>6,800</b>	5,700
Overseas affiliates of KPMG	-	93,942	-	-
Other auditors	<b>5,500</b>	5,500	-	-

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

.....  
**YAP TOON CHOY**

Director

.....  
**YONG ELAINE**

Director

Date: 18 August 2025

# Statements of Financial Position

As At 30 April 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Assets</b>					
Property, plant and equipment	3	<b>90,149,242</b>	100,157,349	-	-
Right-of-use assets	4	<b>16,218,743</b>	11,165,500	-	-
Investment properties	5	<b>12,103,798</b>	9,077,380	<b>3,199,955</b>	-
Investments in subsidiaries	6	-	-	<b>62,492,346</b>	62,492,346
Other investments	7	<b>532,500</b>	532,500	-	-
Trade and other receivables	8	-	-	<b>1,822,800</b>	3,330,400
<b>Total non-current assets</b>		<b>119,004,283</b>	120,932,729	<b>67,515,101</b>	65,822,746
Inventories	9	<b>34,637,871</b>	32,965,081	-	-
Contract assets	10	<b>4,477,993</b>	2,904,750	-	-
Trade and other receivables	8	<b>52,258,838</b>	45,706,047	<b>2,405,853</b>	5,420,966
Current tax assets		<b>278,494</b>	696,627	-	-
Other investments	7	<b>19,990,822</b>	-	<b>2,295,631</b>	-
Cash and cash equivalents	11	<b>60,442,802</b>	82,396,785	<b>11,143,263</b>	15,050,080
<b>Total current assets</b>		<b>172,086,820</b>	164,669,290	<b>15,844,747</b>	20,471,046
<b>Total assets</b>		<b>291,091,103</b>	285,602,019	<b>83,359,848</b>	86,293,792
<b>Equity</b>					
Share capital	12	<b>54,449,998</b>	54,449,998	<b>54,449,998</b>	54,449,998
Reserves	12	<b>124,696,056</b>	120,316,399	<b>28,658,587</b>	31,576,188
<b>Equity attributable to owners of the Company</b>		<b>179,146,054</b>	174,766,397	<b>83,108,585</b>	86,026,186
Non-controlling interests	12	<b>17,618,228</b>	13,719,420	-	-
<b>Total equity</b>		<b>196,764,282</b>	188,485,817	<b>83,108,585</b>	86,026,186
<b>Liabilities</b>					
Loans and borrowings	13	<b>15,460,142</b>	23,288,773	-	-
Lease liabilities		<b>104,517</b>	559,922	-	-
Deferred tax liabilities	14	<b>3,298,933</b>	3,462,283	-	-
<b>Total non-current liabilities</b>		<b>18,863,592</b>	27,310,978	-	-
Loans and borrowings	13	<b>25,887,664</b>	27,781,866	-	-
Lease liabilities		<b>767,338</b>	826,948	-	-
Trade and other payables	15	<b>48,532,520</b>	40,964,406	<b>198,377</b>	183,220
Current tax liabilities		<b>275,707</b>	232,004	<b>52,886</b>	84,386
<b>Total current liabilities</b>		<b>75,463,229</b>	69,805,224	<b>251,263</b>	267,606
<b>Total liabilities</b>		<b>94,326,821</b>	97,116,202	<b>251,263</b>	267,606
<b>Total equity and liabilities</b>		<b>291,091,103</b>	285,602,019	<b>83,359,848</b>	86,293,792

The notes on pages 78 to 129 are an integral part of these financial statements.

# Statements of Profit or Loss and Other Comprehensive Income

For The Year Ended 30 April 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	16	<b>327,932,464</b>	298,570,622	<b>1,353,547</b>	1,418,447
Cost of sales		(264,420,599)	(242,367,536)	-	-
<b>Gross profit</b>		<b>63,511,865</b>	56,203,086	<b>1,353,547</b>	1,418,447
Other income		<b>2,607,925</b>	5,037,798	-	2,259,755
Distribution expenses		(2,411,139)	(2,344,726)	-	-
Administrative expenses		(36,864,729)	(35,941,875)	(738,741)	(639,118)
Net loss on impairment of financial instruments	18	-	-	-	(438,413)
Other expenses		(4,558,403)	(717,598)	(1,373,610)	(241,331)
<b>Results from operating activities</b>		<b>22,285,519</b>	22,236,685	(758,804)	2,359,340
Finance income		<b>1,333,164</b>	1,545,566	<b>713,433</b>	905,157
Finance costs		(3,388,104)	(4,378,589)	-	-
<b>Profit/(Loss) before tax</b>		<b>20,230,579</b>	19,403,662	(45,371)	3,264,497
Tax expense	17	(4,499,608)	(3,421,053)	(149,730)	(212,867)
<b>Profit/(Loss) for the year</b>	18	<b>15,730,971</b>	15,982,609	(195,101)	3,051,630
<b>Other comprehensive expense, net of tax</b>					
<b>Items that may be reclassified subsequently to profit or loss</b>					
Foreign currency translation differences for foreign operations		(6,706,492)	(101,065)	-	-
<b>Other comprehensive expense for the year, net of tax</b>		<b>(6,706,492)</b>	(101,065)	-	-
<b>Total comprehensive income/(expense) for the year</b>		<b>9,024,479</b>	15,881,544	(195,101)	3,051,630
<b>Profit/(Loss) attributable to:</b>					
Owners of the Company		12,134,166	15,075,559	(195,101)	3,051,630
Non-controlling interests		3,596,805	907,050	-	-
<b>Profit/(Loss) for the year</b>		<b>15,730,971</b>	15,982,609	(195,101)	3,051,630
<b>Total comprehensive income/(expense) attributable to:</b>					
Owners of the Company		7,102,157	14,999,760	(195,101)	3,051,630
Non-controlling interests		1,922,322	881,784	-	-
<b>Total comprehensive income/(expense) for the year</b>		<b>9,024,479</b>	15,881,544	(195,101)	3,051,630
Basic earnings per ordinary share (sen):	20	11.14	13.84		
Dividends per ordinary share (sen):	21	2.5	2.0		

The notes on pages 78 to 129 are an integral part of these financial statements.

# Consolidated Statement of Changes in Equity

For The Year Ended 30 April 2025

Attributable to owners of the Company

Non-distributable

Group	At 1 May 2023	Share capital RM	Foreign currency translation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Foreign currency translation differences for foreign operations	-	(75,799)	-	(75,799)	(75,799)	(25,266)	(101,065)
Total other comprehensive expense for the year	-	(75,799)	-	(75,799)	(75,799)	(25,266)	(101,065)
Profit for the year	-	-	15,075,559	15,075,559	15,075,559	907,050	15,982,609
Total comprehensive (expense)/income for the year	-	(75,799)	15,075,559	14,999,760	881,784	15,881,544	
Changes in ownership interests in a subsidiary	27	-	-	789,369	789,369	(789,369)	-
Voluntary winding up of a subsidiary	-	-	-	-	-	(359,236)	(359,236)
Dividends to owners of the Company	21	-	-	(2,178,000)	(2,178,000)	-	(2,178,000)
Dividends to non-controlling interests	-	-	-	-	-	(472,816)	(472,816)
<b>At 30 April 2024</b>	<b>54,449,998</b>	<b>3,732,628</b>	<b>116,583,771</b>	<b>174,766,397</b>	<b>13,719,420</b>	<b>188,485,817</b>	
	Note 12.1		Note 12.2		Note 12.3		

## Consolidated Statement of Changes in Equity

For The Year Ended 30 April 2025 (continued)

Group	Attributable to owners of the Company		Non-distributable Distributable		Non-controlling interests RM	Total equity RM
	Note	Share capital RM	Foreign currency translation reserve RM	Retained earnings RM		
<b>At 1 May 2024</b>		<b>54,449,998</b>	<b>3,732,628</b>	<b>116,583,771</b>	<b>174,766,397</b>	<b>13,719,420</b>
Foreign currency translation differences for foreign operations		-	(5,032,009)	-	(5,032,009)	(1,674,483)
Total other comprehensive expense for the year		-	(5,032,009)	-	(5,032,009)	(1,674,483)
Profit for the year		-	12,134,166	12,134,166	3,596,805	15,730,971
Total comprehensive (expense)/income for the year		-	(5,032,009)	12,134,166	7,102,157	9,024,479
Issuance of a subsidiary's shares to non-controlling interests	28(d)	-	-	-	-	2,425,668
Dividends to owners of the Company	21	-	-	(2,722,500)	(2,722,500)	-
Dividends to non-controlling interests		-	-	-	-	(449,182)
<b>At 30 April 2025</b>		<b>54,449,998</b>	<b>(1,299,381)</b>	<b>125,995,437</b>	<b>179,146,054</b>	<b>17,618,228</b>
		Note 12.1		Note 12.2		Note 12.3

# Statement of Changes in Equity

For The Year Ended 30 April 2025

	<b>Note</b>	<b>Non-</b> <b>distributable</b>	<b>Distributable</b>	<b>Total</b> <b>RM</b>
		<b>Share capital RM</b>	<b>Retained earnings RM</b>	
<b>Company</b>				
<b>At 1 May 2023</b>		54,449,998	30,702,558	85,152,556
Profit and total comprehensive income for the year		-	3,051,630	3,051,630
Dividends to owners of the Company		-	(2,178,000)	(2,178,000)
<b>At 30 April 2024/1 May 2024</b>		<b>54,449,998</b>	<b>31,576,188</b>	<b>86,026,186</b>
Loss and total comprehensive expense for the year		-	(195,101)	(195,101)
Dividends to owners of the Company	21	-	(2,722,500)	(2,722,500)
<b>At 30 April 2025</b>		<b>54,449,998</b>	<b>28,658,587</b>	<b>83,108,585</b>

Note 12.1

# Statements of Cash Flows

For The Year Ended 30 April 2025

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from operating activities</b>				
Profit/(Loss) before tax	<b>20,230,579</b>	19,403,662	(45,371)	3,264,497
Adjustments for:				
Depreciation of:				
- Property, plant and equipment	<b>10,619,433</b>	11,788,979	-	-
- Right-of-use assets	<b>1,320,898</b>	1,313,526	-	-
- Investment properties	<b>173,537</b>	173,537	-	-
Gain on disposal of property, plant and equipment	<b>(115,826)</b>	(318,510)	-	-
Gain on derecognition of right-of-use assets	<b>(28,776)</b>	-	-	-
Gain on disposal of investment in a subsidiary	-	-	-	(1,013,957)
Gain on voluntary winding-up of a subsidiary	-	-	-	(236,902)
Property, plant and equipment written off	<b>966,338</b>	39,539	-	-
Net (reversal of write-down)/write-down of inventories	<b>(95,768)</b>	338,511	-	-
Net loss on impairment of financial instrument	-	-	-	438,413
Impairment loss on investment in a subsidiary	-	-	-	241,331
Dividend income	-	-	<b>(1,353,547)</b>	(1,418,447)
Finance costs	<b>3,388,104</b>	4,378,589	-	-
Finance income	<b>(1,333,164)</b>	(1,545,566)	<b>(713,433)</b>	(905,157)
Unrealised foreign exchange loss/(gain)	<b>316,051</b>	384,921	<b>907,458</b>	(119,019)
Fair value loss on other investment	<b>11,400</b>	-	<b>11,400</b>	-
<b>Operating profit/(loss) before changes in working capital</b>	<b>35,452,806</b>	35,957,188	(1,193,493)	250,759
Changes in working capital:				
Inventories	<b>(3,407,344)</b>	956,679	-	-
Contract assets	<b>(1,854,396)</b>	(403,403)	-	-
Trade and other receivables	<b>(9,965,505)</b>	(317,766)	<b>19,693</b>	(33,182)
Trade and other payables	<b>9,861,906</b>	3,684,567	<b>17,155</b>	(4,022)
<b>Cash generated from/(used in) operations</b>	<b>30,087,467</b>	39,877,265	(1,156,645)	213,555
Interest paid (iii)	<b>(108,275)</b>	(114,326)	-	-
Income tax paid	<b>(4,177,958)</b>	(4,964,897)	<b>(181,230)</b>	(176,367)
<b>Net cash from/(used in) operating activities</b>	<b>25,801,234</b>	34,798,042	<b>(1,337,875)</b>	37,188

## Statements of Cash Flows

For The Year Ended 30 April 2025 (continued)

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Cash flows from investing activities</b>				
Acquisition of property, plant and equipment (ii)	<b>(6,934,071)</b>	(8,984,828)	-	-
Acquisition of right-of-use assets	<b>(7,447,795)</b>	-	-	-
Acquisition of investment properties	<b>(3,199,955)</b>	-	<b>(3,199,955)</b>	-
Acquisition of other investments	<b>(225,000)</b>	-	<b>(225,000)</b>	-
Placement of deposits with licensed banks	<b>(19,542,510)</b>	-	<b>(2,082,031)</b>	-
Dividend received	-	-	<b>1,353,547</b>	1,418,447
Proceeds from disposal of property, plant and equipment	<b>231,918</b>	389,137	-	-
Proceeds from disposal of investment in a subsidiary	-	-	-	4,498,957
Proceeds from dissolution of a subsidiary	-	-	-	373,899
Interest received	<b>1,333,164</b>	1,545,566	<b>713,433</b>	905,157
Increase in pledged deposits with licensed banks	-	(7,953)	-	-
<b>Net cash (used in)/from investing activities</b>	<b>(35,784,249)</b>	(7,058,078)	<b>(3,440,006)</b>	7,196,460
<b>Cash flows from financing activities</b>				
Repayment from subsidiaries	-	-	<b>3,593,564</b>	4,682,659
(Repayment of)/Proceeds from term loans	<b>(4,665,130)</b>	3,626,642	-	-
Proceeds from other borrowings	<b>578,605</b>	2,649,150	-	-
Repayment of hire purchase liabilities	<b>(2,762,047)</b>	(4,191,238)	-	-
Payment of lease liabilities (iii)	<b>(1,010,151)</b>	(1,011,100)	-	-
Issuance of a subsidiary's shares to non-controlling interests	<b>2,425,668</b>	-	-	-
Payment to non-controlling interests upon voluntary winding-up of a subsidiary	-	(359,236)	-	-
Dividends paid to owners of the Company	<b>(2,722,500)</b>	(2,178,000)	<b>(2,722,500)</b>	(2,178,000)
Dividends paid to non-controlling interest	<b>(449,182)</b>	(472,816)	-	-
Interest paid	<b>(3,279,829)</b>	(4,264,263)	-	-
<b>Net cash (used in)/from financing activities</b>	<b>(11,884,566)</b>	(6,200,861)	<b>871,064</b>	2,504,659
<b>Net (decrease)/increase in cash and cash equivalents</b>				
	<b>(21,867,581)</b>	21,539,103	<b>(3,906,817)</b>	9,738,307
Effect of exchange rate fluctuations on cash held	<b>227,259</b>	51,740	-	-
Cash and cash equivalents at 1 May	<b>82,083,124</b>	60,492,281	<b>15,050,080</b>	5,311,773
<b>Cash and cash equivalents at 30 April (i)</b>	<b>60,442,802</b>	82,083,124	<b>11,143,263</b>	15,050,080

## Statements of Cash Flows

For The Year Ended 30 April 2025 (continued)

### (i) Cash and cash equivalents

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

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Deposits placed with licensed banks	11	<b>3,821,767</b>	28,048,195	<b>2,581,128</b>	9,165,985
Less: Pledged deposits	11	-	(313,661)	-	-
		<b>3,821,767</b>	27,734,534	<b>2,581,128</b>	9,165,985
Cash and bank balances	11	<b>56,621,035</b>	54,348,590	<b>8,562,135</b>	5,884,095
		<b>60,442,802</b>	82,083,124	<b>11,143,263</b>	15,050,080

### (ii) Acquisition of property, plant and equipment

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

	Group	
	2025 RM	2024 RM
Paid in cash	<b>6,934,071</b>	8,984,828
In the form of hire purchase	<b>1,644,770</b>	4,277,471
Balances remained unpaid at financial year end	<b>252,514</b>	-
	<b>8,831,355</b>	13,262,299

In the previous financial year, the Group had entered into hire purchase agreement to finance the plant and equipment acquired in the financial year ended 30 April 2023 of RM313,493.

### (iii) Cash outflows for leases as a lessee

	Note	Group	
		2025 RM	2024 RM
<b>Included in net cash from operating activities:</b>			
Expense relating to short-term leases	18	<b>194,196</b>	380,560
Expense relating to leases of low-value assets	18	<b>151,190</b>	174,722
Interest paid in relation to lease liabilities	18	<b>108,275</b>	114,326
<b>Included in net cash used in financing activities:</b>			
Payment of lease liabilities		<b>1,010,151</b>	1,011,100
<b>Total cash outflows for leases</b>		<b>1,463,812</b>	1,680,708

**(iv) Reconciliation of movements of liabilities to cash flows arising from financing activities**

<b>Group</b>	<b>Net changes</b>			<b>Foreign exchange movement</b>		
	<b>At 1.5.2024</b>	<b>from financing cash flows</b>	<b>Additions</b>	<b>Derecognition of lease</b>	<b>At 30.4.2025</b>	<b>RM</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Secured bankers' acceptance	4,820,000	(1,635,891)	-	-	-	3,184,109
Secured bills payable	15,488,212	2,214,496	-	-	(1,698,125)	16,004,583
Secured term loans	25,848,662	(4,665,130)	-	-	(2,820,906)	18,362,626
Hire purchase liabilities	4,913,765	(2,762,047)	1,644,770	-	-	3,796,488
Lease liabilities	1,386,870	(1,010,151)	1,278,601	(783,465)	-	871,855
Total liabilities from financing activities	<b>52,457,509</b>	<b>(7,858,723)</b>	<b>2,923,371</b>	<b>(783,465)</b>	<b>(4,519,031)</b>	<b>42,219,661</b>

<b>Group</b>	<b>Net changes</b>			<b>Foreign exchange movement</b>		
	<b>At 1.5.2023</b>	<b>from financing cash flows</b>	<b>Additions</b>	<b>At 30.4.2024</b>	<b>RM</b>	<b>RM</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
Secured bankers' acceptance	4,494,000	326,000	-	-	-	4,820,000
Secured bills payable	12,875,389	2,323,150	-	289,673	15,488,212	
Secured term loans	22,401,381	3,626,642	-	(179,361)	25,848,662	
Hire purchase liabilities	4,514,039	(4,191,238)	4,590,964	-	4,913,765	
Lease liabilities	1,088,839	(1,011,100)	1,309,131	-	1,386,870	
Total liabilities from financing activities	<b>45,373,648</b>	<b>1,073,454</b>	<b>5,900,095</b>	<b>110,312</b>	<b>52,457,509</b>	

The notes on pages 78 to 129 are an integral part of these financial statements.

# Notes to the Financial Statements

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

## **Principal place of business and registered office**

Lot 1863, Jalan Kolej  
43300 Seri Kembangan  
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 30 April 2025 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 30 April 2025 do not include other entities.

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

These financial statements were authorised for issue by the Board of Directors on 18 August 2025.

## **1. BASIS OF PREPARATION**

### **(a) Statement of compliance**

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

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

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

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

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

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

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

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

## Notes to the Financial Statements

### 1. BASIS OF PREPARATION (CONTINUED)

#### (a) Statement of compliance (continued)

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

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

The Group and the Company plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 May 2025 for the amendments that are effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 May 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 May 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

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

#### (b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following item, which is measured based on the measurement basis as stated below:

Item	Measurement basis
Non-derivative financial instruments at FVTPL	Fair value

#### (c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

#### (d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 4 - Extension options and incremental borrowing rate in relation to leases
- Note 6 - Impairment review of investments in subsidiaries
- Note 8 & 23.4.5 - Measurement of the recoverable amount of amount due from subsidiaries

## Notes to the Financial Statements

### 2. CHANGES IN MATERIAL ACCOUNTING POLICIES

#### 2.1 Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The Group has adopted the amendments to MFRS 101, *Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants* from 1 May 2024. The amendments clarify certain requirements for determining whether a liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period (see Note 13).

The amendments have been applied retrospectively. The Group has analysed all existing borrowings and determined that the new amendments did not result in a change in the classification of the Group's borrowings. There is also no retrospective impact on the comparative statement of financial position.

## Notes to the Financial Statements

### 3. PROPERTY, PLANT AND EQUIPMENT

<b>Group</b>	<b>Freehold land</b>	<b>Buildings on freehold land</b>	<b>Buildings on leasehold land</b>	<b>Plant and machinery, electrical installations and factory equipment</b>	<b>Office equipment, furniture and fittings and renovation</b>	<b>Motor vehicles</b>	<b>Under construction</b>	<b>Total RM</b>
<b>Cost</b>								
At 1 May 2023	8,529,675	17,511,425	41,927,196	158,077,517	21,023,881	10,570,081	-	257,639,775
Additions	-	-	281,857	11,078,559	1,561,639	340,244	-	13,262,299
Disposals	-	-	-	(5,379,150)	(283,997)	(886,100)	-	(6,549,247)
Write off	-	-	-	(131,762)	(654,547)	-	-	(786,309)
Effect of movements in exchange rates	-	-	(209,594)	(407,058)	(26,982)	(21,195)	-	(664,829)
At 30 April 2024/1 May 2024	<b>8,529,675</b>	<b>17,511,425</b>	<b>41,999,459</b>	<b>163,238,106</b>	<b>21,619,994</b>	<b>10,003,030</b>	<b>-</b>	<b>262,901,689</b>
Additions	<b>335,000</b>	<b>-</b>	<b>2,517,168</b>	<b>3,791,800</b>	<b>1,063,753</b>	<b>652,070</b>	<b>471,564</b>	<b>8,831,355</b>
Disposals	-	-	-	(3,515,456)	(67,541)	(743,752)	-	(4,326,749)
Write off	-	-	(988,344)	(1,834,789)	(1,481,196)	-	-	(4,304,329)
Effect of movements in exchange rates	-	-	(4,900,105)	(9,050,286)	(568,517)	(464,994)	(26,611)	(15,010,513)
At 30 April 2025	<b>8,864,675</b>	<b>17,511,425</b>	<b>38,628,178</b>	<b>152,629,375</b>	<b>20,566,493</b>	<b>9,446,354</b>	<b>444,953</b>	<b>248,091,453</b>

## Notes to the Financial Statements

### 3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Freehold land RM	Buildings on freehold land RM	Buildings on leasehold land RM	Plant and machinery, electrical installations and factory equipment RM	Office equipment, furniture and fittings and renovation RM	Motor vehicles RM	Under construction RM	Total RM
<b>Accumulated depreciation</b>								
At 1 May 2023	-	6,364,619	9,808,228	120,835,793	13,763,037	7,786,514	-	158,558,191
Depreciation for the year	-	372,608	1,321,555	7,830,906	1,467,853	796,057	-	11,788,979
Disposals	-	-	-	(5,355,281)	(283,922)	(839,417)	-	(6,478,620)
Write off	-	-	-	(129,418)	(617,352)	-	-	(746,770)
Effect of movements in exchange rates	-	-	(64,017)	(266,644)	(26,772)	(20,007)	-	(377,440)
At 30 April 2024/1 May 2024	-	<b>6,737,227</b>	<b>11,065,766</b>	<b>122,915,356</b>	<b>14,302,844</b>	<b>7,723,147</b>	-	<b>162,744,340</b>
Depreciation for the year	-	<b>372,609</b>	<b>1,266,326</b>	<b>6,997,604</b>	<b>1,307,013</b>	<b>675,881</b>	-	<b>10,619,433</b>
Disposals	-	-	-	(3,470,392)	(65,579)	(674,686)	-	(4,210,657)
Write off	-	-	(136,208)	(1,814,971)	(1,386,812)	-	-	(3,337,991)
Effect of movements in exchange rates	-	-	(1,068,639)	(5,878,668)	(523,881)	(401,726)	-	(7,872,914)
At 30 April 2025	-	<b>7,109,836</b>	<b>11,127,245</b>	<b>118,748,929</b>	<b>13,633,585</b>	<b>7,322,616</b>	-	<b>157,942,211</b>
<b>Carrying amounts</b>								
At 1 May 2023	8,529,675	11,146,806	32,118,968	37,241,724	7,260,844	2,783,567	-	99,081,584
At 30 April 2024/1 May 2024	<b>8,529,675</b>	<b>10,774,198</b>	<b>30,933,693</b>	<b>40,322,750</b>	<b>7,317,150</b>	<b>2,279,883</b>	-	<b>100,157,349</b>
At 30 April 2025	<b>8,864,675</b>	<b>10,401,589</b>	<b>27,500,933</b>	<b>33,880,446</b>	<b>6,932,908</b>	<b>2,123,738</b>	<b>444,953</b>	<b>90,149,242</b>

## Notes to the Financial Statements

### 3. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

#### 3.1 Security

Certain property, plant and equipment of the Group amounting to RM49,911,423 (2024: RM59,193,076) are charged to licensed banks as security for loans and borrowings (Note 13).

#### 3.2 Material accounting policy information

##### (a) Recognition and measurement

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

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

##### (b) Depreciation

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

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

- Buildings on freehold and leasehold land 42.5 - 50 years
- Plant and machinery, electrical installations and factory equipment 4 - 14 years
- Office equipment, furniture and fittings and renovation 5 - 20 years
- Motor vehicles 5 - 10 years

### 4. RIGHT-OF-USE ASSETS

	<b>Leasehold land RM</b>	<b>Land use rights RM</b>	<b>Buildings RM</b>	<b>Total RM</b>
<b>Group</b>				
At 1 May 2023	1,603,151	8,559,982	1,052,765	11,215,898
Additions	-	-	1,309,131	1,309,131
Depreciation	(24,443)	(258,294)	(1,030,789)	(1,313,526)
Effect of movements in exchange rates	-	(46,003)	-	(46,003)
At 30 April 2024/1 May 2024	<b>1,578,708</b>	<b>8,255,685</b>	<b>1,331,107</b>	<b>11,165,500</b>
Additions	-	<b>7,447,795</b>	<b>1,278,601</b>	<b>8,726,396</b>
Depreciation	(24,443)	(276,138)	(1,020,317)	(1,320,898)
Derecognition of lease	-	-	(754,689)	(754,689)
Effect of movements in exchange rates	-	<b>(1,597,566)</b>	-	<b>(1,597,566)</b>
At 30 April 2025	<b>1,554,265</b>	<b>13,829,776</b>	<b>834,702</b>	<b>16,218,743</b>

## Notes to the Financial Statements

### 4. RIGHT-OF-USE ASSETS (CONTINUED)

#### 4.1 Lease term

The leasehold land has lease terms between 64 to 74 years. The Group leases a number of warehouse and factory facilities and staff hostels that run between 1 to 4 years, and for certain leases with an option to renew the lease after the expiry date.

#### 4.2 Land use rights

Land use rights represent up-front payment to acquire long-term interests in the usage of land. The Group was granted land use rights for a period between 31 to 50 years in relation to industrial land situated in Vietnam.

#### 4.3 Security

Certain leasehold land amounting to RM352,582 (2024: RM358,227) and the land use rights totalling RM6,844,188 (2024: RM8,255,685) are charged to licensed banks as security for loans and borrowings of the Group (Note 13).

#### 4.4 Extension option

Some leases of buildings contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control.

	<b>Potential future lease payments not included in lease liabilities (discounted)</b>		<b>Historical rate of extension options %</b>
	<b>Lease liabilities recognised (discounted)</b> <b>RM</b>	<b>Lease liabilities (discounted)</b> <b>RM</b>	
<b>Group</b>			
<b>2025</b>			
Buildings		<b>871,855</b>	-
			<b>100</b>
<b>2024</b>			
Buildings		1,386,870	-
			100

## Notes to the Financial Statements

### 4. RIGHT-OF-USE ASSETS (CONTINUED)

#### 4.5 Significant judgements and assumptions in relation to leases

The Group assesses at lease commencement by applying significant judgement whether it is reasonably certain to exercise the extension options. Group entities consider all facts and circumstances including their past practice and any cost that will be incurred to change the asset if an option to extend is not taken, to help them determine the lease term.

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

#### 4.6 Material accounting policy information

##### (a) Recognition and measurement

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

##### (b) Lease and non-lease components

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices. However, for leases of properties in which the Group is a lessee, it has elected not to separate non-lease components and will instead account for the lease and non-lease components as a single lease component.

##### (c) Recognition exemption

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

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sublease as an operating lease.

## Notes to the Financial Statements

### 5. INVESTMENT PROPERTIES

	Freehold land RM	Buildings on freehold land RM	Under construction RM	Total RM
<b>Group</b>				
<b>Cost</b>				
At 1 May 2023/30 April 2024/1 May 2024	<b>1,890,070</b>	<b>8,676,836</b>	-	<b>10,566,906</b>
Additions	-	-	<b>3,199,955</b>	<b>3,199,955</b>
At 30 April 2025	<b>1,890,070</b>	<b>8,676,836</b>	<b>3,199,955</b>	<b>13,766,861</b>

#### Accumulated depreciation

At 1 May 2023	-	1,315,989	-	1,315,989
Depreciation for the year	-	173,537	-	173,537
At 30 April 2024/1 May 2024	-	<b>1,489,526</b>	-	<b>1,489,526</b>
Depreciation for the year	-	<b>173,537</b>	-	<b>173,537</b>
At 30 April 2025	-	<b>1,663,063</b>	-	<b>1,663,063</b>

#### Carrying amounts

At 1 May 2023	1,890,070	7,360,847	-	9,250,917
At 30 April 2024/1 May 2024	<b>1,890,070</b>	<b>7,187,310</b>	-	<b>9,077,380</b>
At 30 April 2025	<b>1,890,070</b>	<b>7,013,773</b>	<b>3,199,955</b>	<b>12,103,798</b>

	Under construction RM	Total RM
<b>Company</b>		
<b>Cost</b>		
At 1 May 2023/30 April 2024/1 May 2024	-	-
Additions	<b>3,199,955</b>	<b>3,199,955</b>
At 30 April 2025	<b>3,199,955</b>	<b>3,199,955</b>

#### Carrying amounts

At 1 May 2023/30 April 2024/1 May 2024	-	-
At 30 April 2025	<b>3,199,955</b>	<b>3,199,955</b>

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

	Group	2025 RM	2024 RM
Lease income		<b>672,000</b>	672,010
Direct operating expenses:			
- Administrative expenses		<b>62,819</b>	61,829
- Depreciation		<b>173,537</b>	173,537

## Notes to the Financial Statements

### 5. INVESTMENT PROPERTIES (CONTINUED)

The operating lease payments to be received are as follows:

	<b>Group</b>		
	<b>2025</b>	<b>2024</b>	
	<b>RM</b>	<b>RM</b>	
Less than one year	<b>672,000</b>	672,000	
One to two years	<b>1,008,000</b>	280,000	
	<b>1,680,000</b>	952,000	

#### 5.1 Fair value information

The fair value of investment properties of the Group at the end of financial year was determined by an external, independent and qualified valuer, CBRE WTW Valuation & Advisory Sdn. Bhd. [Company No. 197401001098 (18149-U)], and it is within Level 3 of the fair value hierarchy.

Fair value of investment properties are categorised as follow:

	<b>Group</b>		
	<b>2025</b>	<b>2024</b>	
	<b>RM</b>	<b>RM</b>	
	<b>Level 3</b>	<b>Level 3</b>	
Land and building	<b>15,500,000</b>	12,600,000	

#### **Level 3 fair value**

#### **Valuation process applied by the Group**

Fair values of land and building have been generally derived using the sales comparison and depreciated replacement cost approach. In the sales comparison approach, sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot of comparable properties. Depreciated replacement cost approach is based on how much it would cost to reproduce the property after adjusting for depreciation.

#### 5.2 Material accounting policy information

Investment properties are initially and subsequently measured at cost and are accounted similarly with property, plant and equipment.

#### 5.3 Investment properties under construction

A freehold industrial land and a semi-detached factory with office are currently under construction and the fair value of the properties are unable to be determined as there are uncertainties in estimating their fair value. The building has only started its construction during the financial year.

## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES

	Company		
	2025 RM	2024 RM	
<b>At cost</b>			
Unquoted shares			
At 1 May 2024/1 May 2023	<b>63,315,448</b>	68,085,149	
Disposal of investment in a subsidiary	-	(3,485,000)	
Reversal of investment due to voluntary winding-up of a subsidiary	-	(1,284,701)	
At 30 April	<b>63,315,448</b>	63,315,448	
<b>Less: Accumulated impairment loss</b>			
At 1 May 2024/1 May 2023	<b>(823,102)</b>	(1,729,475)	
Impairment loss on investment in a subsidiary	-	(241,331)	
Reversal of impairment loss upon voluntary winding-up of a subsidiary	-	1,147,704	
At 30 April	<b>(823,102)</b>	(823,102)	
<b>Carrying amount</b>	<b>62,492,346</b>	62,492,346	

Details of the subsidiaries are as follows:

<b>Name of entities</b>	<b>Country of incorporation/ Principal place of business</b>	<b>Principal activities</b>	<b>Effective ownership interest and voting interest</b>	
			<b>2025 %</b>	<b>2024 %</b>
<b>Direct subsidiaries</b>				
Kein Hing Industry Sdn. Bhd. ("KHI")	Malaysia	Sheet metal forming, precision machining, component assembly and manufacture and sales of gas appliances	<b>100</b>	100
Kein Hing Muramoto (Vietnam) Co., Ltd.* ("KHMV")	Vietnam	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries	<b>75</b>	75
Zenne Infinity Sdn. Bhd.# ("ZI")	Malaysia	Trading in electrical and electronic products, home appliances and gas appliances	<b>100</b>	100

## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Name of entities	Country of incorporation/ Principal place of business	Principal activities	Effective ownership interest and voting interest			
			2025 %	2024 %		
<b>Indirect subsidiaries</b>						
<b>Held through Kein Hing Muramoto (Vietnam) Co., Ltd.</b>						
Kein Hing Thai Nguyen (Vietnam) Co., Ltd.* ("KHTV")	Vietnam	Sheet metal forming, precision machining, manufacturing and fabrication of tools and dies and assembly of components	<b>75</b>	75		
Kein Hing Muramoto (Hung Yen) Joint Stock Company^ ("KHMH")	Vietnam	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries	<b>38.25</b> <b>(Note 6.1)</b>	-		
<b>Held through Kein Hing Industry Sdn. Bhd.</b>						
KHI Eduhouse Sdn. Bhd.# ("KHIE")	Malaysia	Establishing, managing and operating child care centre, pre-schools, early childhood education and daycare centre	<b>100</b>	-		

\* Audited by other member firms of KPMG International

# Audited by other firms of auditors

^ The 2025 financial statement of this subsidiary is not required to be audited according to the relevant regulations of the country of incorporation and is not material to the Group. Hence, the unaudited management financial statement of this subsidiary is used for the purpose of consolidation.

- 6.1** Although the Company owns less than half of the effective ownership interest and voting interest in Kein Hing Muramoto (Hung Yen) Joint Stock Company, the Directors have determined that the Company controls the entity via KHMV which owns 51% equity interest in KMH.

## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

#### 6.2 Impairment review of investments in subsidiaries

As ZI is continuously loss making and is having a deficit in shareholders' funds as of reporting date, the Company had undertaken an impairment assessment on the investment in the subsidiary.

##### 6.2.1 Zenne Infinity Sdn. Bhd. ("ZI")

The recoverable amount was determined based on value in use calculations. The key assumptions used in the value in use calculations were as follows:

- The pre-tax cash flow projections were projected for 5 years (2024: 5 years) based on the financial budgets approved by the Board of Directors.
- The terminal value beyond financial year 2030 was estimated using a long-term growth rate of 4% (2024: 4%).
- Discount rate of 8.76% (2024: 8.76%) which was estimated based on the indicated weighted average cost of capital of ZI.

The key assumptions represented management's assessment of future trends in the trading in electrical and electronic products, home appliances and gas appliances and were based on both external sources and internal sources (historical data).

Based on the calculations, the recoverable amount of RM3,882,000 (2024: RM3,890,000) was determined. There is no further impairment loss (2024: RM241,331 and RM438,413) being recognised on investment in subsidiary and amount due from this subsidiary (as disclosed in Notes 6 and 8), respectively.

#### 6.3 Non-controlling interests in subsidiaries

The Group's subsidiaries that have material non-controlling interests ("NCI") are as follows:

	KHMV RM	Other subsidiaries with immaterial NCI RM	Total RM
<b>2025</b>			
NCI percentage of ownership interest and voting interest		25%	
Carrying amount of NCI	16,592,115	1,026,113	17,618,228
Profit/(Loss) allocated to NCI	4,110,845	(514,040)	3,596,805
<b>2024</b>			
NCI percentage of ownership interest and voting interest		25%	
Carrying amount of NCI	15,474,524	(1,755,104)	13,719,420
Profit/(Loss) allocated to NCI	1,952,180	(1,045,130)	907,050

## Notes to the Financial Statements

### 6. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

#### 6.3 Non-controlling interests in subsidiaries (continued)

	KHMV	
	2025 RM	2024 RM
<b>Summarised financial information before intra-group elimination</b>		
<b>As at 30 April</b>		
Non-current assets	<b>43,879,601</b>	50,629,859
Current assets	<b>77,646,442</b>	63,302,163
Non-current liabilities	<b>(8,675,948)</b>	(12,610,888)
Current liabilities	<b>(46,481,635)</b>	(39,423,040)
Net assets	<b>66,368,460</b>	61,898,094
<b>Year ended 30 April</b>		
Revenue	<b>185,920,319</b>	159,616,283
Profit for the year	<b>16,443,380</b>	7,808,722
Total comprehensive income	<b>16,443,380</b>	7,808,722
Cash flows from operating activities	<b>13,433,438</b>	14,112,582
Cash flows used in investing activities	<b>(6,345,554)</b>	(6,624,515)
Cash flows used in financing activities	<b>(7,754,983)</b>	(8,586,146)
Exchange differences on translation of the financial statements of foreign operations	<b>(1,184,162)</b>	79,993
Net decrease in cash and cash equivalents	<b>(1,851,261)</b>	(1,018,086)
Dividends paid to NCI	<b>449,182</b>	472,816

#### 6.4 Material accounting policy information

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

## Notes to the Financial Statements

### 7. OTHER INVESTMENTS

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Non-current</b>					
Fair value through profit or loss					
Transferable club memberships		<b>550,080</b>	550,080	-	-
Less: Impairment losses		<b>(17,580)</b>	(17,580)	-	-
		<b>532,500</b>	532,500	-	-
<b>Current</b>					
Fair value through profit or loss					
Quoted shares		<b>225,000</b>	-	<b>225,000</b>	-
Less: Impairment loss		<b>(11,400)</b>	-	<b>(11,400)</b>	-
		<b>213,600</b>	-	<b>213,600</b>	-
Amortised cost					
Deposits with licensed banks	7.1	<b>19,777,222</b>	-	<b>2,082,031</b>	-
		<b>19,777,222</b>	-	<b>2,082,031</b>	-
		<b>19,990,822</b>	-	<b>2,295,631</b>	-
		<b>20,523,322</b>	532,500	<b>2,295,631</b>	-

#### 7.1 Deposits with licensed banks

The Group classifies deposits with licensed banks not held of working capital purposes that has a maturity of more than three months as other investments.

Included in deposits placed with licensed banks of the Group was RM321,800 (2024: RM313,661 under Note 11) pledged for a banking facility granted to a wholly-owned subsidiary (Note 13).

## Notes to the Financial Statements

### 8. TRADE AND OTHER RECEIVABLES

	Note	Group		Company		
		2025 RM	2024 RM	2025 RM	2024 RM	
<b>Non-current</b>						
<b>Non-trade</b>						
Amount due from subsidiaries	8.1	-	-	<b>1,822,800</b>	3,330,400	
		-	-	<b>1,822,800</b>	3,330,400	
<b>Current</b>						
<b>Trade</b>						
Trade receivables		<b>47,650,612</b>	43,317,063	-	-	
Less: Impairment loss		(51,086)	(51,086)	-	-	
		<b>47,599,526</b>	43,265,977	-	-	
<b>Non-trade</b>						
Amount due from subsidiaries	8.1	-	-	<b>2,829,777</b>	5,825,197	
Less: Impairment loss		-	-	(438,413)	(438,413)	
		-	-	<b>2,391,364</b>	5,386,784	
Prepayments	8.2	<b>1,865,089</b>	1,511,818	-	-	
Refundable deposits		<b>648,010</b>	657,500	-	-	
Staff loan		<b>9,599</b>	7,968	-	-	
Other receivables	8.3	<b>2,136,614</b>	262,784	<b>14,489</b>	34,182	
		<b>4,659,312</b>	2,440,070	<b>2,405,853</b>	5,420,966	
		<b>52,258,838</b>	45,706,047	<b>2,405,853</b>	5,420,966	
		<b>52,258,838</b>	45,706,047	<b>4,228,653</b>	8,751,366	

#### 8.1 Amount due from subsidiaries

Included in the amount due from subsidiaries are:

- (a) the non-trade receivable due from a subsidiary of RM2,264,709 (2024: RM7,788,069) consists of unsecured advances/loan granted to a wholly-owned subsidiary of Kein Hing Muramoto (Vietnam) Co., Ltd. in Vietnam in accordance with 3 (2024: 6) separate loan agreements which earn interest at a fixed rate of 5.47% (2024: ranging from 5.47% and 7.22%) per annum and are repayable by way of 10 quarterly instalments with the first instalment payment due and payable on 1 June 2023, 1 September 2023 and 1 March 2024 respectively and the subsequent instalments payable at successive intervals of 3 months.
- (b) the non-trade receivable due from a subsidiary of RM2,387,868 (2024: RM1,367,528) consists of unsecured advances/loan granted to a wholly-owned subsidiary in Malaysia in accordance with 5 (2024: 3) separate loan agreements which earn interest at a fixed rate ranging from 5.72% and 6.76% (2024: ranging from 5.72% and 6.76%) per annum and are repayable by way of 10 quarterly instalments with the first instalment payment due and payable on 1 February 2023, 1 February 2024, 1 February 2025, 1 August 2025 and 1 August 2026 respectively and the subsequent instalments payable at successive intervals of 3 months. The Company recognised an impairment loss of nil (2024: RM438,413) in the current financial year.

## Notes to the Financial Statements

### 8. TRADE AND OTHER RECEIVABLES (CONTINUED)

#### 8.2 Prepayments

Included in the prepayments are prepaid instalments as further security for hire purchase liabilities totalling RM575,742 (2024: RM518,015).

#### 8.3 Other receivables

Included in the other receivables of the Group is an insurance receivable arising from the claim for the damage caused by a natural disaster to one of its factories in Vietnam amounting to RM1,904,337 (2024: nil). The insurance receivable was subsequently recovered in July 2025.

### 9. INVENTORIES

	Group	2025 RM	2024 RM
Raw materials	<b>12,878,809</b>	11,284,991	
Work-in-progress	<b>6,719,067</b>	6,040,821	
Manufactured inventories	<b>14,256,322</b>	14,655,444	
Trading inventories	<b>783,673</b>	983,825	
	<b>34,637,871</b>	32,965,081	
Recognised in profit or loss:			
Inventories recognised as cost of sales	<b>264,516,367</b>	242,029,025	
Write-down to net realisable value	<b>255,893</b>	343,399	
Reversal of write-down	<b>(351,661)</b>	(4,888)	

The write-down and reversal of write-down are included in the cost of sales. The Group writes down inventories when they are deemed obsolete and reverses the write-down in the event that the inventories are subsequently sold.

#### 9.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the weighted average method. In the case of work-in-progress and finished goods, cost includes an appropriate share of production overheads based on normal operating capacity.

## Notes to the Financial Statements

### 10. CONTRACT ASSETS

	Group	
	2025 RM	2024 RM
Contract assets	<b>4,477,993</b>	2,904,750

The contract assets primarily relate to the Group's rights to consideration for work completed on tooling contracts but not yet billed at the reporting date. Typically, the amount will be billed within a year and payment is expected within 60 to 120 days.

### 11. CASH AND CASH EQUIVALENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deposits placed with licensed banks	<b>3,821,767</b>	28,048,195	<b>2,581,128</b>	9,165,985
Cash and bank balances	<b>56,621,035</b>	54,348,590	<b>8,562,135</b>	5,884,095
Cash and cash equivalents in the statements of financial position	<b>60,442,802</b>	82,396,785	<b>11,143,263</b>	15,050,080
Less:				
Pledged deposits	-	(313,661)	-	-
Cash and cash equivalents in the statements of cash flows	<b>60,442,802</b>	82,083,124	<b>11,143,263</b>	15,050,080

### 12. SHARE CAPITAL AND RESERVES

#### 12.1 Share capital

	Group and Company			
	Number of shares 2025	Amount 2025 RM	Number of shares 2024	Amount 2024 RM
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares	<b>108,899,996</b>	<b>54,449,998</b>	108,899,996	54,449,998

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

## Notes to the Financial Statements

### 12. SHARE CAPITAL AND RESERVES (CONTINUED)

#### 12.2 Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of the Group entities with functional currencies other than Ringgit Malaysia.

#### 12.3 Non-controlling interests

This consists of the minority shareholders' proportion of share capital and reserves of the subsidiaries.

### 13. LOANS AND BORROWINGS

	Group	2025 RM	2024 RM
<b>Non-current</b>			
Secured term loans	<b>14,130,724</b>	20,850,419	
Hire purchase liabilities	<b>1,329,418</b>	2,438,354	
	<b>15,460,142</b>	23,288,773	
<b>Current</b>			
Secured bankers' acceptance	<b>3,184,109</b>	4,820,000	
Secured bills payable	<b>16,004,583</b>	15,488,212	
Secured term loans	<b>4,231,902</b>	4,998,243	
Hire purchase liabilities	<b>2,467,070</b>	2,475,411	
	<b>25,887,664</b>	27,781,866	
	<b>41,347,806</b>	51,070,639	

The loans and borrowings are denominated in Ringgit Malaysia except for certain secured term loans and secured bills payable amounting to RM9,368,664 (2024: RM10,073,217) and RM24,698,545 (2024: RM30,913,657) which are denominated in US Dollar and Vietnam Dong respectively.

#### 13.1 Security

The secured bankers' acceptance are secured by the following:

- (i) fixed charge over certain landed properties of the Group (Notes 3 and 4); and
- (ii) corporate guarantee by the Company.

The secured bills payable are secured by the following:

- (i) fixed charge over certain landed properties of the Group (Note 3); and
- (ii) specific debenture covering the fixed charge over certain property, plant and equipment and right-of-use assets of the Group (Notes 3 and 4).

## Notes to the Financial Statements

### 13. LOANS AND BORROWINGS (CONTINUED)

#### 13.1 Security (continued)

The secured bank overdrafts are secured by the following:

- (i) fixed charge over certain landed properties of the Group (Notes 3 and 4);
- (ii) certain fixed deposits pledged by a wholly-owned subsidiary (Note 7); and
- (iii) corporate guarantee by the Company.

The secured term loans are secured by specific debenture covering the fixed charge over certain property, plant and equipment and right-of-use assets of the Group (Notes 3 and 4).

#### 13.2 Significant covenants

The main covenants of the banking facilities granted to a wholly-owned subsidiary of the Company by a licensed bank are as follows:

- (i) the Group shall notify the bank of the occurrence of any event of default or any other occurrence which might adversely affect the Group's ability to fully perform the obligation;
- (ii) the Group shall submit its financial statements and/or audited financial statements within 6 months of the financial year end;
- (iii) the Group shall not without prior written consent of the bank allow any change in certain majority shareholders or certain majority shareholders' shareholdings; and
- (iv) the Group shall maintain a leverage ratio of not exceeding 2.0 times at its consolidated level.

The covenant in regards on leverage ratio of not exceeding 2.0 times at the consolidated level is tested annually on 30 April. The banking facilities become repayable on demand if the threshold is not met at the testing date. The Group complied with the leverage ratio threshold when it was tested on 30 April 2025. The Group is expected to comply with the covenant within 12 months after the reporting date.

## Notes to the Financial Statements

### 14. DEFERRED TAX LIABILITIES

#### Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

<b>Group</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Net</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Property, plant and equipment	-	3,539,861	3,672,099	3,539,861
Right-of-use assets	-	200,329	262,996	200,329
Lease liabilities	(209,244)	(272,855)	-	(209,244)
Other temporary differences	(232,013)	(199,957)	-	(232,013)
Tax (assets)/liabilities	(441,257)	(472,812)	3,740,190	3,935,095
Set off of tax	441,257	472,812	(441,257)	(472,812)
Net tax liabilities	-	-	3,298,933	3,462,283
			<b>3,298,933</b>	<b>3,462,283</b>

<b>Group</b>	<b>Recognised in At 1.5.2023 RM</b>	<b>Recognised in At 30.4.2024/ 1.5.2024 RM</b>	<b>At 30.4.2025 RM</b>
	<b>At loss (Note 17) RM</b>	<b>At loss (Note 17) RM</b>	<b>At loss (Note 17) RM</b>
Property, plant and equipment	3,796,188	(124,089)	3,672,099
Right-of-use assets	165,392	97,604	262,996
Lease liabilities	(171,172)	(101,683)	(272,855)
Other temporary differences	3,644	(203,601)	(199,957)
	3,794,052	(331,769)	3,462,283
			<b>(163,350)</b>
			<b>3,298,933</b>

#### Movement in temporary differences during the year

## Notes to the Financial Statements

### 14. DEFERRED TAX LIABILITIES (CONTINUED)

#### **Unrecognised deferred tax assets**

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

	<b>Group</b>	<b>2025 RM</b>	<b>2024 RM</b>
Deductible temporary differences arising from property, plant and equipment	-	4,051	
Unabsorbed capital allowances	<b>36,000</b>	-	
Unutilised tax losses			
- Expire in year of assessment 2033	<b>7,699</b>	7,699	
- Expire in year of assessment 2034	<b>861,622</b>	861,622	
- Expire in year of assessment 2035	<b>1,309,679</b>	-	
	<b>2,215,000</b>	873,372	

In accordance with the provision of Finance Act 2021 which was gazetted on 31 December 2021, the unused tax losses from the year of assessment 2019 for Malaysian entities are available for utilisation up to a period of ten (10) consecutive years from when it was incurred, for which, any excess at the end of the tenth year, shall be disregarded.

Deferred tax assets have not been recognised in respect of these items because it is not probable that the subsidiary will generate sufficient future taxable profits against which they can be utilised.

### 15. TRADE AND OTHER PAYABLES

	<b>Note</b>	<b>Group</b>		<b>Company</b>		
		<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>	
<b>Current</b>						
<b>Trade</b>						
Trade payables		<b>39,357,863</b>	32,996,365	-	-	
<b>Non-trade</b>						
Amount due to a subsidiary	15.1	-	-	-	1,998	
Other payables		<b>3,814,505</b>	1,855,394	<b>1,376</b>	221	
Accruals	15.2	<b>5,360,152</b>	6,112,647	<b>197,001</b>	181,001	
		<b>9,174,657</b>	7,968,041	<b>198,377</b>	183,220	
		<b>48,532,520</b>	40,964,406	<b>198,377</b>	183,220	

#### **15.1 Amount due to a subsidiary**

The non-trade amount due to a subsidiary is unsecured, interest-free and repayable on demand.

#### **15.2 Accruals**

Included in accruals of the Group is amount totalling RM252,514 (2024: nil) relating to acquisition of property, plant and equipment.

## Notes to the Financial Statements

### 16. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Revenue from contract with customers</b>				
Sales of goods				
- Manufactured products	<b>295,188,067</b>	271,581,069	-	-
- Tooling/Moulds	<b>20,265,949</b>	14,426,853	-	-
- Trading products	<b>5,087,905</b>	5,740,104	-	-
- Scraps	<b>7,390,543</b>	6,822,596	-	-
<b>Other revenue</b>				
Dividends	-	-	<b>1,353,547</b>	1,418,447
	<b>327,932,464</b>	298,570,622	<b>1,353,547</b>	1,418,447

#### 16.1 Disaggregation of revenue

	Group	
	2025 RM	2024 RM
<b>Primary geographical region</b>		
Malaysia operation	<b>140,762,623</b>	138,538,039
Vietnam operation	<b>187,169,841</b>	160,032,583
	<b>327,932,464</b>	298,570,622
<b>Timing and recognition</b>		
At a point in time	<b>307,666,515</b>	284,143,769
Over time	<b>20,265,949</b>	14,426,853
	<b>327,932,464</b>	298,570,622

## Notes to the Financial Statements

### **16. REVENUE (CONTINUED)**

#### **16.2 Nature of goods**

The following information reflects the typical transactions of the Group:

<b>Nature of goods</b>	<b>Timing of recognition or method used to recognise revenue</b>	<b>Significant payment terms</b>	<b>Obligations for returns or refunds</b>
Manufactured products	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers at their premises.	Credit terms of 60-120 days from invoice date.	The Group allows returns only for exchange with new goods (i.e. no cash refunds are offered).
Tooling/Moulds	Revenue is recognised over time as costs are incurred. These contracts would meet the no alternative use and the Group have rights to payment for work performed.	Credit terms of 60-120 days from invoice date.	Not applicable.
Trading products	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers.	Cash and credit terms of 60-120 days from invoice date.	The Group allows returns only for exchange with new goods (i.e. no cash refunds are offered).
Scraps	Revenue is recognised at a point in time when the goods are delivered and accepted by the customers.	Cash and credit terms of 60-120 days from invoice date.	Not applicable.

There are no variable elements in consideration nor warranty in substantially all of the contracts for the provision of goods by the Group.

#### **16.3 Transaction price allocated to the remaining performance obligations**

The Group applies the practical expedient with an exemption on disclosure of information as all remaining performance obligations (unsatisfied or partially satisfied) have original expected durations of one year or less.

## Notes to the Financial Statements

### 17. TAX EXPENSE

	Group	Company		
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Recognised in profit or loss</b>				
<b>Current tax expense</b>				
Current year	<b>2,612,178</b>	2,874,714	<b>180,000</b>	230,000
Foreign income tax	<b>2,053,187</b>	868,666	-	-
(Over)/Under provision in prior years	<b>(2,407)</b>	9,442	<b>(30,270)</b>	(17,133)
	<b>4,662,958</b>	3,752,822	<b>149,730</b>	212,867
<b>Deferred tax benefit</b>				
Reversal of temporary differences	<b>(145,036)</b>	(71,453)	-	-
Over provision in prior years	<b>(18,314)</b>	(260,316)	-	-
	<b>(163,350)</b>	(331,769)	-	-
Total tax expense	<b>4,499,608</b>	3,421,053	<b>149,730</b>	212,867
<b>Reconciliation of tax expense</b>				
Profit/(Loss) for the year	<b>15,730,971</b>	15,982,609	<b>(195,101)</b>	3,051,630
Total tax expense	<b>4,499,608</b>	3,421,053	<b>149,730</b>	212,867
Profit/(Loss) excluding tax	<b>20,230,579</b>	19,403,662	<b>(45,371)</b>	3,264,497
Income tax using Malaysian tax rate of 24%	<b>4,855,339</b>	4,656,879	<b>(10,889)</b>	783,479
Effect of difference in tax rates of foreign jurisdictions	<b>(2,300,252)</b>	(790,785)	-	-
Tax incentive	-	(724,881)	-	-
Non-deductible expenses	<b>1,666,081</b>	1,055,325	<b>515,740</b>	329,289
Changes in unrecognised temporary differences	<b>321,991</b>	174,656	-	-
Non-taxable income	<b>(21,390)</b>	(699,267)	-	(542,341)
Tax exempt income	<b>(1,440)</b>	-	<b>(324,851)</b>	(340,427)
	<b>4,520,329</b>	3,671,927	<b>180,000</b>	230,000
(Over)/Under provision in prior years				
Current tax	<b>(2,407)</b>	9,442	<b>(30,270)</b>	(17,133)
Deferred tax	<b>(18,314)</b>	(260,316)	-	-
	<b>4,499,608</b>	3,421,053	<b>149,730</b>	212,867

## Notes to the Financial Statements

### 18. PROFIT/(LOSS) FOR THE YEAR

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Profit/(Loss) for the year is arrived at after charging/(crediting):</b>					
Auditors' remuneration					
- Statutory audit					
KPMG		<b>173,000</b>	160,000	<b>53,000</b>	48,000
Overseas affiliates of KPMG		<b>133,783</b>	120,564	-	-
Other auditors		<b>12,800</b>	12,000	-	-
- Other services					
KPMG		<b>14,000</b>	13,000	<b>14,000</b>	13,000
Local affiliates of KPMG		<b>26,450</b>	24,250	<b>6,800</b>	5,700
Overseas affiliates of KPMG		-	93,942	-	-
Other auditors		<b>5,500</b>	5,500	-	-
<b>Material expenses</b>					
Depreciation on:					
- Property, plant and equipment	3	<b>10,619,433</b>	11,788,979	-	-
- Right-of-use assets	4	<b>1,320,898</b>	1,313,526	-	-
- Investment properties	5	<b>173,537</b>	173,537	-	-
Finance costs on:					
- Bank overdrafts		<b>5</b>	16,395	-	-
- Hire purchase liabilities		<b>264,346</b>	356,373	-	-
- Term loans		<b>1,855,196</b>	2,513,215	-	-
- Bills payable		<b>957,756</b>	1,182,376	-	-
- Bankers' acceptance		<b>202,526</b>	195,904	-	-
- Lease liabilities		<b>108,275</b>	114,326	-	-
Property, plant and equipment written off	3	<b>966,338</b>	39,539	-	-
Personnel expenses (including key management personnel):					
- Contributions to Employees' Provident Funds		<b>2,022,827</b>	2,009,185	-	-
- Wages, salaries and others		<b>61,796,455</b>	59,100,184	<b>218,000</b>	179,500
Impairment loss on investment in a subsidiary	6	-	-	-	241,331
Realised foreign exchange loss		<b>1,773,463</b>	-	<b>454,752</b>	-
Unrealised foreign exchange loss		<b>316,051</b>	384,921	<b>907,458</b>	-
Write-down of inventories		<b>255,893</b>	343,399	-	-
Fair value loss on other investment	7	<b>11,400</b>	-	<b>11,400</b>	-

## Notes to the Financial Statements

### 18. PROFIT/(LOSS) FOR THE YEAR (CONTINUED)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
<b>Material income</b>					
Gain on disposal of property, plant and equipment		<b>115,826</b>	318,510	-	-
Gain on disposal of investment in a subsidiary		-	-	-	1,013,957
Gain on voluntary winding-up of a subsidiary		-	-	-	236,902
Realised foreign exchange gain		-	4,239,937	-	889,877
Unrealised foreign exchange gain		-	-	-	119,019
Reversal of write-down of inventories		<b>351,661</b>	4,888	-	-
Finance income from:					
- Deposits with licensed banks		<b>998,602</b>	1,155,028	<b>360,849</b>	277,646
- Trade receivables		<b>68,389</b>	102,512	-	-
- Foreign currency current account		<b>266,031</b>	287,498	-	-
- Staff loan		<b>142</b>	528	-	-
- Amount due from subsidiaries		-	-	<b>352,584</b>	627,511
Insurance compensation	8.3	<b>1,904,337</b>	-	-	-
<b>Net loss on impairment of financial instruments</b>					
Financial assets at amortised cost		-	-	-	438,413
<b>Expenses/(Income) arising from leases</b>					
Gain on derecognition of right-of-use assets		<b>28,776</b>	-	-	-
Expense relating to short-term leases	a	<b>194,196</b>	380,560	-	-
Expense relating to leases of low-value assets	a	<b>151,190</b>	174,722	-	-
Lease income of premise		<b>(672,000)</b>	(672,010)	-	-

#### Note a

The Group leases premises which lease term is less than a year and photocopiers which are of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

## Notes to the Financial Statements

### 19. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensation are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Directors</b>				
Short-term employee benefits				
- Fees	130,000	112,500	130,000	112,500
- Remuneration	1,894,800	1,941,920	88,000	67,000
- Contributions to Employees' Provident Fund	47,920	48,040	-	-
- Others (including estimated monetary value of benefits-in-kind)	78,468	78,429	-	-
	<b>2,151,188</b>	2,180,889	<b>218,000</b>	179,500

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

### 20. EARNINGS PER ORDINARY SHARE

#### Basic earnings per ordinary share

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

	Group	
	2025 RM	2024 RM
Profit for the year attributable to owners of the Company	<b>12,134,166</b>	15,075,559

	Group	
	2025	2024
Weighted average number of ordinary shares at 30 April	<b>108,899,996</b>	108,899,996

	Group	
	2025 Sen	2024 Sen
Basic earnings per ordinary share	<b>11.14</b>	13.84

#### Diluted earnings per ordinary share

The diluted earnings per share is not presented as the Group has no potential shares or other instruments with dilutive effects.

## Notes to the Financial Statements

### 21. DIVIDENDS

Dividends recognised by the Company:

	Sen per share RM	Total amount RM	Date of payment
<b>2025</b>			
Final 2024 ordinary, single tier	2.5	2,722,500	21 November 2024

	Sen per share RM	Total amount RM	Date of payment
<b>2024</b>			
Final 2023 ordinary, single tier	2.0	2,178,000	21 November 2023

After the end of reporting period, the following dividend was proposed by the Directors. This dividend will be recognised in subsequent financial period upon approval by the owners of the Company.

	Sen per share RM	Total amount RM
Final 2025 ordinary, single tier	2.5	2,722,500

### 22. OPERATING SEGMENTS

The Group has three (3) reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Board of Directors (the decision makers) review the internal management reports at least on a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

Manufacturing	<i>Sheet metal forming, precision machining, component assembly and manufacture and sale of gas appliances</i>
Trading	<i>Trading in electrical and electronic products, home appliances and gas appliances</i>
Investment holding	<i>Investment holding</i>

Inter-segment pricing is determined based on negotiated terms.

Performance is measured based on segment profit before tax, finance costs and interest income, as included in the internal management reports that are reviewed by the Group's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

## 22. OPERATING SEGMENTS (CONTINUED)

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-bearing loans, borrowings and revenue, interest-bearing loans, borrowings and expenses, corporate assets and expenses and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Group	Manufacturing		Trading		Investment holding		Total	
	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM	2025 RM	2024 RM
<b>Segment profit/(loss)</b>	<b>21,933,639</b>	17,757,734	<b>(1,360,788)</b>	(789,909)	(45,371)	3,944,241	<b>20,527,480</b>	20,912,066
<i>Included in the measure of segment profit/(loss) are:</i>								
Revenue from external customers	<b>322,844,559</b>	292,830,518	<b>5,087,905</b>	5,740,104	-	-	<b>327,932,464</b>	298,570,622
Inter-segment revenue	<b>25,344,380</b>	18,893,861	<b>245,230</b>	124,576	-	-	<b>25,589,610</b>	19,018,437
Depreciation	<b>(13,295,425)</b>	(14,441,165)	<b>(163,426)</b>	(200,267)	-	-	<b>(13,458,851)</b>	(14,641,432)
Finance costs	<b>(5,314,173)</b>	(5,598,901)	<b>(134,112)</b>	(70,392)	-	-	<b>(5,448,285)</b>	(5,669,293)
Finance income	<b>2,679,912</b>	1,931,113	-	-	<b>713,433</b>	905,157	<b>3,393,345</b>	2,836,270
<b>Segment assets</b>	<b>279,996,527</b>	277,260,064	<b>3,273,375</b>	3,152,022	<b>16,653,338</b>	15,084,262	<b>299,923,240</b>	295,496,348
<i>Included in the measure of segment assets are:</i>								
Capital expenditure	<b>16,844,458</b>	15,542,669	<b>14,040</b>	64,300	-	-	<b>16,858,498</b>	15,606,969
<b>Segment liabilities</b>	<b>93,849,130</b>	96,361,612	<b>218,712</b>	485,511	<b>251,263</b>	265,609	<b>94,319,105</b>	97,112,732

## Notes to the Financial Statements

### 22. OPERATING SEGMENTS (CONTINUED)

#### Reconciliations of reportable segment revenues, profit before tax, assets, liabilities and other material items

	<b>Group</b>			
	<b>2025</b>	<b>2024</b>	<b>RM</b>	<b>RM</b>
<b>Profit or loss</b>				
Total profit or loss for reportable segments			<b>20,527,480</b>	20,912,066
Consolidation adjustments			(296,901)	(1,508,404)
Consolidated profit (excluding tax)			<b>20,230,579</b>	19,403,662
	<b>External revenue RM</b>	<b>Depreciation RM</b>	<b>Finance costs RM</b>	<b>Finance income RM</b>
<b>Group</b>				
<b>2025</b>				
Total reportable segments	<b>327,932,464</b>	<b>(13,458,851)</b>	<b>(5,448,285)</b>	<b>3,393,345</b>
Elimination of inter-segment transactions or balances	-	<b>1,344,983</b>	<b>2,060,181</b>	<b>(2,060,181)</b>
Consolidated total	<b>327,932,464</b>	<b>(12,113,868)</b>	<b>(3,388,104)</b>	<b>1,333,164</b>
<b>2024</b>				
Total reportable segments	298,570,622	(14,641,432)	(5,669,293)	2,836,270
Elimination of inter-segment transactions or balances	-	1,365,390	1,290,704	(1,290,704)
Consolidated total	298,570,622	(13,276,042)	(4,378,589)	1,545,566

Total reportable segments  
Elimination of inter-segment transactions or balances  
Consolidated total

15,606,969  
(2,344,670)  
13,262,299

97,112,732  
3,470  
97,116,202

## Notes to the Financial Statements

### **22. OPERATING SEGMENTS (CONTINUED)**

#### **Geographical segments**

The manufacturing segment of the Group operates in Vietnam apart from its home country, Malaysia.

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.

<b>Geographical segments</b>	<b>Revenue from external customers by location of customers</b>		<b>Segment assets by location of assets</b>	
	<b>2025 RM</b>	<b>2024 RM</b>	<b>2025 RM</b>	<b>2024 RM</b>
Malaysia	<b>110,173,025</b>	105,203,970	<b>174,965,773</b>	172,721,937
Vietnam	<b>187,346,914</b>	160,295,254	<b>116,125,330</b>	112,880,082
America	<b>17,911,078</b>	20,762,023	-	-
Europe	<b>4,904,192</b>	4,793,123	-	-
Thailand	<b>1,607,729</b>	1,611,612	-	-
Brazil	<b>1,135,358</b>	1,511,833	-	-
Hong Kong	<b>1,892,628</b>	1,247,494	-	-
Australia	<b>748,218</b>	536,627	-	-
Others	<b>2,213,322</b>	2,608,686	-	-
Consolidated	<b>327,932,464</b>	298,570,622	<b>291,091,103</b>	285,602,019

#### **Major customers**

The following are major customers with revenue equal or more than 8% (2024: 10%) of the Group's total revenue:

<b>All common control entities of:</b>	<b>Revenue</b>		<b>Segment</b>	
	<b>2025 RM</b>	<b>2024 RM</b>		
- Customer A	<b>71,559,466</b>	63,739,139	Manufacturing	
- Customer B	<b>63,300,992</b>	45,537,506	Manufacturing	
- Customer C	<b>29,820,623</b>	31,381,919	Manufacturing	
- Customer D	<b>29,011,254</b>	17,702,251	Manufacturing	
- Customer E	<b>27,632,630</b>	30,322,593	Manufacturing	

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS

#### 23.1 Categories of financial instruments

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

- (a) Amortised cost ("AC")
- (b) Fair value through profit or loss ("FVTPL")
  - Mandatorily required by MFRS 9

	Note	Carrying amount RM	AC RM	Mandatorily at FVTPL RM
<b>2025</b>				
<b>Financial assets</b>				
<b>Group</b>				
Other investments	7	<b>20,523,322</b>	<b>19,777,222</b>	<b>746,100</b>
Trade and other receivables (excluding prepayments)		<b>50,393,749</b>	<b>50,393,749</b>	-
Cash and cash equivalents	11	<b>60,442,802</b>	<b>60,442,802</b>	-
		<b>131,359,873</b>	<b>130,613,773</b>	<b>746,100</b>
<b>Company</b>				
Other investments	7	<b>2,295,631</b>	<b>2,082,031</b>	<b>213,600</b>
Trade and other receivables	8	<b>4,228,653</b>	<b>4,228,653</b>	-
Cash and cash equivalents	11	<b>11,143,263</b>	<b>11,143,263</b>	-
		<b>17,667,547</b>	<b>17,453,947</b>	<b>213,600</b>
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	13	<b>(41,347,806)</b>	<b>(41,347,806)</b>	-
Trade and other payables	15	<b>(48,532,520)</b>	<b>(48,532,520)</b>	-
		<b>(89,880,326)</b>	<b>(89,880,326)</b>	-
<b>Company</b>				
Trade and other payables	15	<b>(198,377)</b>	<b>(198,377)</b>	-

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.1 Categories of financial instruments (continued)

	Note	Carrying amount RM	AC RM	Mandatorily at FVTPL RM
<b>2024</b>				
<b>Financial assets</b>				
<b>Group</b>				
Other investments	7	532,500	-	532,500
Trade and other receivables (excluding prepayments)		44,194,229	44,194,229	-
Cash and cash equivalents	11	82,396,785	82,396,785	-
		127,123,514	126,591,014	532,500
<b>Company</b>				
Trade and other receivables	8	8,751,366	8,751,366	-
Cash and cash equivalents	11	15,050,080	15,050,080	-
		23,801,446	23,801,446	-
<b>Financial liabilities</b>				
<b>Group</b>				
Loans and borrowings	13	(51,070,639)	(51,070,639)	-
Trade and other payables	15	(40,964,406)	(40,964,406)	-
		(92,035,045)	(92,035,045)	-
<b>Company</b>				
Trade and other payables	15	(183,220)	(183,220)	-

#### 23.2 Net gains and losses arising from financial instruments

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Net (losses)/gains on:				
Financial assets at AC	<b>(1,612,699)</b>	8,513,498	<b>(648,777)</b>	1,475,640
Financial liabilities at AC	<b>(2,423,480)</b>	(7,377,179)	-	-
Financial assets at FVTPL				
- Mandatorily required by MFRS 9	<b>(11,400)</b>	-	<b>(11,400)</b>	-
	<b>(4,047,579)</b>	1,136,319	<b>(660,177)</b>	1,475,640

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

#### 23.4 Credit risk

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

##### 23.4.1 Trade receivables and contract assets

###### ***Risk management objectives, policies and processes for managing the risk***

Management has a credit policy in place and the exposure to credit risk is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Group's associations to business partners with good credit rating.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

There are no significant changes as compared to previous years.

###### ***Exposure to credit risk, credit quality and collateral***

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statement 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 business partners and customers with high creditworthiness that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

## Notes to the Financial Statements

### **23. FINANCIAL INSTRUMENTS (CONTINUED)**

#### **23.4 Credit risk (continued)**

##### **23.4.1 Trade receivables and contract assets (continued)**

###### **Concentration of credit risk**

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

	<b>Group</b>	<b>2025</b>	<b>2024</b>
		RM	RM
Malaysia	<b>15,373,689</b>	13,886,641	
Vietnam	<b>32,688,627</b>	26,486,700	
America	<b>2,269,030</b>	2,926,418	
Europe	<b>1,050,083</b>	1,698,921	
Others	<b>696,090</b>	1,172,047	
	<b>52,077,519</b>	46,170,727	

At year end, the Group has outstanding trade receivables from 1 (2024: 2) significant customer totalling RM9,224,674 (2024: RM10,450,405), which is individually 10% or more of the Group's gross trade receivables.

###### **Recognition and measurement of impairment loss**

To measure the expected credit losses ("ECLs"), trade receivables have been grouped based on credit risk and 90 days past due.

The Group uses ageing analysis to monitor the credit quality of the trade receivables. Any trade receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

The Group determines low credit risk trade receivables by considering historical payment trends and financial strength of the receivables. The amount of the allowance on these balances is negligible.

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### 23.4.1 Trade receivables and contract assets (continued)

###### **Recognition and measurement of impairment loss (continued)**

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	Note	Gross carrying amount RM	Loss allowance RM	Net balance RM
<b>Group</b>				
<b>2025</b>				
Current (not past due)		<b>50,056,360</b>	-	<b>50,056,360</b>
1 - 90 days past due		<b>1,543,236</b>	-	<b>1,543,236</b>
More than 90 days past due		<b>529,009</b>	(51,086)	<b>477,923</b>
		<b>52,128,605</b>	(51,086)	<b>52,077,519</b>
Trade receivables	8	<b>47,650,612</b>	(51,086)	<b>47,599,526</b>
Contract assets	10	<b>4,477,993</b>	-	<b>4,477,993</b>
		<b>52,128,605</b>	(51,086)	<b>52,077,519</b>
<b>2024</b>				
Current (not past due)		44,901,675	-	44,901,675
1 - 90 days past due		1,089,127	-	1,089,127
More than 90 days past due		231,011	(51,086)	179,925
		46,221,813	(51,086)	46,170,727
Trade receivables	8	43,317,063	(51,086)	43,265,977
Contract assets	10	2,904,750	-	2,904,750
		46,221,813	(51,086)	46,170,727

The movement in the allowance for impairment in respect of trade receivables during the year is as shown below:

	Lifetime ECL RM
<b>Group</b>	
Balance at 1 May 2023/30 April 2024/1 May 2024/30 April 2025	<b>51,086</b>

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### 23.4.2 Other investments

###### ***Risk management objectives, policies and processes for managing the risk***

Investments are allowed only in liquid securities and only with counterparties that have a credit rating equal to or better than the Group.

###### ***Exposure to credit risk, credit quality and collateral***

As at the end of the reporting period, the Group had invested in transferable club memberships, deposits with licensed banks and quoted shares. The maximum exposure to credit risk is represented by the carrying amounts of these investments in the statement of financial position.

###### ***Recognition and measurement of impairment losses***

Impairment losses in respect of certain transferable club memberships and the quoted shares totalling RM28,980 (2024: RM17,580) have been recognised in the financial statements.

##### 23.4.3 Cash and cash equivalents and deposits with licensed banks

###### ***Risk management objectives, policies and processes for managing the risk***

The cash and cash equivalents and deposits are held with banks and financial institutions. The Group and the Company monitor the credit ratings of these banks and financial institutions on an ongoing basis.

###### ***Exposure to credit risk, credit quality and collateral***

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

###### ***Recognition and measurement of impairment losses***

These banks and financial institutions have low credit risks. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

##### 23.4.4 Other receivables

###### ***Risk management objectives, policies and processes for managing the risk***

Credit risks on other receivables are mainly arising from deposits paid for office buildings and fixtures rented. These deposits will be received at the end of each lease terms. The Group manages the credit risk together with the leasing arrangement.

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### 23.4.4 Other receivables (continued)

###### ***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.

###### ***Recognition and measurement of impairment losses***

As at the end of the reporting period, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

##### 23.4.5 Inter-company loans and advances

###### ***Risk management objectives, policies and processes for managing the risk***

The Company provides unsecured interest-bearing loans and advances to 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.

###### ***Recognition and measurement of impairment loss***

Generally, the Company considers loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers a subsidiary's loan or advance to be credit impaired when:

- The subsidiary is unlikely to repay its loan or advance to the Company in full;
- The subsidiary's loan or advance is overdue for more than 365 days; or
- The subsidiary is continuously loss making and is having a deficit shareholders' fund.

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

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### 23.4.5 Inter-company loans and advances (continued)

###### **Recognition and measurement of impairment loss (continued)**

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

	<b>Gross carrying amount RM</b>	<b>Loss allowance RM</b>	<b>Net balance RM</b>
<b>Company</b>			
<b>2025</b>			
Low credit risk	<b>2,264,709</b>	-	<b>2,264,709</b>
Significant increase in credit risk	<b>2,387,868</b>	<b>(438,413)</b>	<b>1,949,455</b>
	<b>4,652,577</b>	<b>(438,413)</b>	<b>4,214,164</b>
<b>2024</b>			
Low credit risk	7,788,069	-	7,788,069
Significant increase in credit risk	1,367,528	(438,413)	929,115
	9,155,597	(438,413)	8,717,184

The movement in the allowance for impairment in respect of subsidiaries' loans and advances during the year is as follows:

	<b>Lifetime ECL RM</b>
<b>Company</b>	
Balance at 1 May 2023	-
Net remeasurement of loss allowance	438,413
Balance at 30 April 2024/1 May 2024/30 April 2025	<b>438,413</b>

##### 23.4.6 Financial guarantees

###### **Risk management objectives, policies and processes for managing the risk**

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

###### **Exposure to credit risk, credit quality and collateral**

The maximum exposure to credit risk amounts to RM7,280,597 (2024: RM10,060,893) representing the outstanding banking and lease facilities of the subsidiaries as at the end of the reporting period.

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.4 Credit risk (continued)

##### 23.4.6 Financial guarantees (continued)

###### **Recognition and measurement of impairment loss**

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

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

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

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 and subsequent remeasurement were not material.

#### 23.5 Liquidity risk

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

The Group and the Company maintain 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.

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

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.5 Liquidity risk (continued)

##### **Maturity analysis**

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

Group	Carrying amount RM	Contractual interest rate/ Discount rate per annum	Contractual cash flows RM	Under 1 year RM		1 - 2 years RM		2 - 5 years RM		More than 5 years RM	
				2025	2024	2025	2024	2025	2024	2025	2024
Secured bankers' acceptance	3,184,109	5.2%	3,225,279	3,225,279	-	-	-	-	-	-	-
Secured bills payable	16,004,583	6.4%	16,496,458	16,496,458	-	-	-	-	-	-	-
Secured term loans	18,362,626	8.3%	23,106,990	5,600,283	4,529,488	9,697,652	3,279,567	-	-	-	-
Hire purchase liabilities	3,796,488	6.0%	3,996,385	2,626,784	1,248,404	121,197	-	-	-	-	-
Lease liabilities	871,855	5.5% - 6.7%	906,025	799,775	106,250	-	-	-	-	-	-
Trade and other payables	48,532,520	-	48,532,520	-	-	-	-	-	-	-	-
	<b>90,752,181</b>		<b>96,263,657</b>	<b>77,281,099</b>	<b>5,884,142</b>	<b>9,818,849</b>	<b>3,279,567</b>				
Secured bankers' acceptance	4,820,000	5.1%	4,869,425	4,869,425	-	-	-	-	-	-	-
Secured bills payable	15,488,212	6.2%	15,868,316	15,868,316	-	-	-	-	-	-	-
Secured term loans	25,848,662	8.8%	33,627,302	7,079,075	6,455,504	15,735,446	4,357,277	-	-	-	-
Hire purchase liabilities	4,913,765	6.0%	5,265,775	2,708,134	1,798,796	758,845	-	-	-	-	-
Lease liabilities	1,386,870	5.5% - 6.7%	1,466,050	889,475	576,575	-	-	-	-	-	-
Trade and other payables	40,964,406	-	40,964,406	-	-	-	-	-	-	-	-
	<b>93,421,915</b>		<b>102,061,274</b>	<b>72,378,831</b>	<b>8,830,875</b>	<b>16,494,291</b>	<b>4,357,277</b>				

## Notes to the Financial Statements

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.5 Liquidity risk (continued)

##### **Maturity analysis (continued)**

	Carrying amount RM	Contractual interest rate/ Discount rate per annum	Contractual cash flows RM	Under 1 year RM
<b>Company</b>				
<b>2025</b>				
Financial guarantees	-		<b>7,280,597</b>	<b>7,280,597*</b>
Trade and other payables	<b>198,377</b>		<b>198,377</b>	<b>198,377</b>
	<b>198,377</b>		<b>7,478,974</b>	<b>7,478,974</b>
<b>2024</b>				
Financial guarantees	-		10,060,893	10,060,893*
Trade and other payables	183,220		183,220	183,220
	183,220		10,244,113	10,244,113

\* The disclosure represents the maximum liquidity risk exposure in the event if financial guarantees are called.

#### 23.6 Market risk

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

##### 23.6.1 Currency risk

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

##### **Risk management objectives, policies and processes for managing the risk**

The Group and the Company do not engage in foreign currency hedging on its foreign currency exposure but the management monitors these exposures on an ongoing basis to ensure that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short term imbalances. The Group and the Company also set up USD foreign currency bank accounts as a natural hedge against any fluctuation in USD.

The Group and the Company are also exposed to foreign currency risk in respect of their investment in foreign subsidiaries. The Group and the Company do not hedge this exposure by having foreign currency borrowings but keep this policy under review and will take necessary action to minimise the exposure of the risk.

## Notes to the Financial Statements

### **23. FINANCIAL INSTRUMENTS (CONTINUED)**

#### **23.6 Market risk (continued)**

##### **23.6.1 Currency risk (continued)**

###### **Exposure to foreign currency risk**

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

	Group		Company	
	Denominated in USD		Denominated in USD	
	2025 RM	2024 RM	2025 RM	2024 RM
Amount due from a subsidiary	-	-	<b>2,264,709</b>	7,788,069
Trade and other receivables	<b>27,004,849</b>	24,635,565	-	-
Cash and cash equivalents	<b>33,749,018</b>	35,391,016	<b>8,113,450</b>	5,436,395
Trade and other payables	(17,173,404)	(17,230,645)	-	-
Loans and borrowings	(9,368,664)	(10,073,217)	-	-
<b>Net exposure in the statement of financial position</b>	<b>34,211,799</b>	32,722,719	<b>10,378,159</b>	13,224,464

###### **Currency risk sensitivity analysis**

A 10% (2024: 10%) strengthening of Ringgit Malaysia against USD at the end of the reporting period would have decreased equity and profit or loss before tax 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.

	2025		2024	
	Equity RM	Profit or loss RM	Equity RM	Profit or loss RM
<b>Group</b>				
USD	<b>(2,610,277)</b>	<b>(3,421,180)</b>	(2,467,895)	(3,272,272)
<b>Company</b>				
USD	<b>(788,740)</b>	<b>(1,037,816)</b>	(1,005,059)	(1,322,446)

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.6 Market risk (continued)

##### 23.6.1 Currency risk (continued)

###### **Currency risk sensitivity analysis (continued)**

A 10% (2024: 10%) weakening of Ringgit Malaysia against USD 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.

The exposure to currency risk other than USD is not material and hence, sensitivity analysis is not presented.

##### 23.6.2 Interest rate risk

The Group's and the Company's fixed rate instruments 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**

Interest rate exposure arising from the Group's and the Company's loans and borrowings, deposits placed with licensed banks and investments with financial institutions is managed through monitoring and reviewing interest rates in the market and their impact to the Group's financial performance. The Group and the Company do not use derivative financial instruments to hedge their interest rate exposure.

###### **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 are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Fixed rate instruments</b>				
Financial assets	<b>23,598,989</b>	28,048,195	<b>8,877,323</b>	8,717,184
Financial liabilities	(4,668,343)	(6,300,635)	-	-
	<b>18,930,646</b>	21,747,560	<b>8,877,323</b>	8,717,184
<b>Floating rate instruments</b>				
Financial liabilities	(37,551,318)	(46,156,874)	-	-

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.6 Market risk (continued)

##### 23.6.2 Interest rate risk (continued)

###### *Interest rate risk sensitivity analysis*

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

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

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

A change of 100 basis points ("bp") in interest rates at the end of the reporting period would have increased/(decreased) equity and profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	Equity		Profit or loss	
	100 bp increase RM	100 bp decrease RM	100 bp increase RM	100 bp decrease RM
<b>Group</b>				
<b>2025</b>				
Floating rate instruments	(299,017)	299,017	(375,513)	375,513
<b>2024</b>				
Floating rate instruments	(367,187)	367,187	(461,569)	461,569

#### 23.7 Fair value information

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

The Company provides financial guarantees to banks for credit facilities extended to certain subsidiaries. The fair value of such financial guarantees is not expected to be material as the probability of the subsidiaries defaulting on the credit lines is remote.

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.7 Fair value information (continued)

The table below analyses other financial instruments at fair value.

<b>Group</b>	<b>Fair value of financial instruments carried at fair value</b>			<b>Fair value of financial instruments not carried at fair value</b>			<b>Total fair value RM</b>	<b>Carrying amount RM</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>	
<b>2025</b>								
<b>Financial asset</b>								
Other investments	<b>213,600</b>	<b>532,500</b>	-	<b>746,100</b>	-	-	-	<b>746,100</b>
<b>Financial liabilities</b>								
Secured term loans	-	-	-	-	-	-	<b>18,362,626</b>	<b>18,362,626</b>
Hire purchase liabilities	-	-	-	-	-	-	<b>3,996,385</b>	<b>3,996,385</b>
	-	-	-	-	-	-	<b>22,359,011</b>	<b>22,359,011</b>
							<b>22,159,114</b>	<b>22,159,114</b>
<b>Company</b>								
<b>Financial assets</b>								
Other investments	<b>213,600</b>	-	<b>213,600</b>	-	-	-	-	<b>213,600</b>
Amount due from subsidiaries	-	-	-	-	-	-	<b>4,214,164</b>	<b>4,214,164</b>
	<b>213,600</b>	-	<b>213,600</b>	-	-	-	<b>4,214,164</b>	<b>4,214,164</b>
							<b>4,427,764</b>	<b>4,427,764</b>

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.7 Fair value information (continued)

Group	Fair value of financial instruments carried at fair value						Fair value of financial instruments not carried at fair value						Total carrying amount RM	
	Level 1			Level 2			Level 1			Level 2				
	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM	RM		
<b>2024</b>														
<b>Financial asset</b>														
Other investments	-	532,500	-	532,500	-	-	-	-	-	-	-	-	532,500	
<b>Financial liabilities</b>														
Secured term loans	-	-	-	-	-	-	-	-	-	-	25,848,662	25,848,662	25,848,662	
Hire purchase liabilities	-	-	-	-	-	-	-	-	-	-	5,242,494	5,242,494	5,242,494	
	-	-	-	-	-	-	-	-	-	-	31,091,156	31,091,156	31,091,156	
<b>Company</b>														
<b>Financial asset</b>														
Amount due from subsidiaries	-	-	-	-	-	-	-	-	-	-	8,717,184	8,717,184	8,717,184	

## Notes to the Financial Statements

## Notes to the Financial Statements

### 23. FINANCIAL INSTRUMENTS (CONTINUED)

#### 23.7 Fair value information (continued)

##### **Policy on transfer between levels**

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

##### **Level 1 fair value**

Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets or liabilities that the entity can access at the measurement date.

##### **Level 2 fair value**

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

##### **Non-derivative financial liabilities**

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

##### **Transfers between Level 1 and Level 2 fair values**

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2024: no transfer in either directions).

##### **Level 3 fair value**

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

##### **Non-derivative financial liabilities**

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

##### **Interest rates used to determine fair value**

In respect of long-term borrowings in variable interest rates, the carrying amounts approximate fair value as they are re-priced to market interest rates for liabilities with similar risk profiles.

## Notes to the Financial Statements

### 24. CAPITAL COMMITMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<b>Capital expenditure commitments</b>				
<b>Property, plant and equipment</b>				
Approved and contracted for	<b>6,803,789</b>	212,828	-	-
<b>Investment properties</b>				
Approved and contracted for	<b>8,115,051</b>	-	<b>8,115,051</b>	-

### 25. 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 are determined to maintain an optimal debt-to-equity ratio that is at 1.0 time or below.

	Note	Group	
		2025 RM	2024 RM
Loans and borrowings	13	<b>41,347,806</b>	51,070,639
Lease liabilities		<b>871,855</b>	1,386,870
Less: Deposits placed with licensed banks	7	<b>(19,777,222)</b>	-
Less: Cash and cash equivalents	11	<b>(60,442,802)</b>	(82,396,785)
Net cash		<b>(38,000,363)</b>	(29,939,276)
Total equity		<b>196,764,282</b>	188,485,817
Debt-to-equity ratio		-	-

There was no change in the Group's approach to capital management during the financial year.

### 26. RELATED PARTIES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly 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. Related parties may be individuals or other entities.

Related parties also include key management personnel 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.

## Notes to the Financial Statements

### 26. RELATED PARTIES (CONTINUED)

#### Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated trade terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation, are shown below. The balance related to the below transactions are shown in Notes 8 and 15.

	Transaction amount for the year ended 30 April	
	2025 RM	2024 RM
<b>Group</b>		
<b>Company in which certain Directors have significant financial interests</b>		
T.C. Yap Holdings Sdn. Bhd.		
Lease payments for premises	<b>273,325</b>	276,525
<b>Company in which a major shareholder has significant financial interests</b>		
Kam Loong Mining Sdn. Bhd.		
Lease payments for premises	<b>247,500</b>	234,000
<b>Key management personnel of the Company</b>		
Yap Toon Choy		
Lease payments for premises	<b>96,000</b>	96,000
<b>Company</b>		
<b>Subsidiaries</b>		
Kein Hing Muramoto (Vietnam) Co., Ltd.		
Dividend income	<b>(1,347,547)</b>	(1,418,447)
Kein Hing Thai Nguyen (Vietnam) Co., Ltd.		
Interest income	<b>(246,889)</b>	(577,840)
Zenne Infinity Sdn. Bhd.		
Loan provided	<b>1,500,000</b>	1,150,000
Interest income	<b>(105,695)</b>	(49,671)

### 27. CHANGES IN OWNERSHIP INTERESTS IN A SUBSIDIARY

#### Financial year ended 30 April 2024

On 5 May 2023, the Company entered into a Transfer Agreement with Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV") to transfer the entire charter and contributed capital in Kein Hing Thai Nguyen (Vietnam) Co., Ltd. ("KHTV") to KHMV for a cash consideration of approximately RM4.5 million, decreasing its effective ownership from 100% to 75%. The transfer was completed on 16 June 2023. The carrying amount of KHTV's net liabilities in the Group's financial statements on the date of the transfer was RM3,157,475. The Group recognised a decrease in non-controlling interest of RM789,369 and an increase in retained earnings of RM789,369. This resulted in a net cash inflow of approximately RM4.5 million for the Company.

## Notes to the Financial Statements

### 28. SIGNIFICANT EVENTS

- (a) On 21 June 2024, the Group incorporated an indirect subsidiary, KHI Eduhouse Sdn. Bhd. ("KHIE"), which is wholly-owned by Kein Hing Industry Sdn. Bhd. ("KHI"), a wholly-owned subsidiary of the Company. The share capital of KHIE is RM1. The principal activity of KHIE is establishing, managing and operating child care centre, pre-schools, early childhood education and daycare centre.
- (b) The Company had on 13 September 2024 entered into a Sale and Purchase Agreement with a third-party developer for the acquisition of a semi-detached factory with office namely Lot No. F 10 with a built-up of approximately 15,216 square feet which will be situated on a freehold land measuring approximately 23,479.51 square feet for a cash consideration of RM5,939,183. The said land is currently held under the master land title situated at Seksyen 1, Pekan Jenjarom, Daerah Kuala Langat, Selangor, Malaysia, pending land subdivision. As of the reporting date, the Company has paid RM1,048,091 and the remaining of RM4,891,092 was recognised as capital commitment (Note 24).
- (c) The Company had on 4 October 2024 entered into a Sale and Purchase Agreement with a third-party developer for the acquisition of one piece of freehold industrial land identified as Plot 41, Phase 2C, Hicom Pegoh Park, Melaka, Malaysia with a land area of approximately 3.25 acres for which the land title has yet to be issued, for a cash consideration of RM5,375,823. As of the reporting date, the Company has paid RM2,151,864 and the remaining of RM3,223,959 was recognised as capital commitment (Note 24).
- (d) On 20 January 2025, the Group incorporated an indirect subsidiary, Kein Hing Muramoto (Hung Yen) Joint Stock Company ("KHMH"), which is 51% owned by KHMV, a 75% held subsidiary of the Company. The share capital of KHMH is VND30.0 billion or equivalent to RM4,950,344.
- (e) KHMH had on 11 February 2025 entered into a Sublease Agreement of land use rights and infrastructure attached to the land with a third-party developer for the sublease of one piece of an industrial park land identified as Plot No. Y6-B, Thang Long Industrial Park II, Duong Hao Ward, Hung Yen Province, Vietnam with a land area of approximately 12,000 square meters free of any restriction on land use rights for a cash consideration of approximately VND42.6 billion or equivalent to RM7,447,795 (Note 4).

### 29. SUBSEQUENT EVENT

On 10 June 2025, the Company had entered into a Conditional Transfer Agreement ("Transfer Agreement") with Mr Shingo Muramoto, the vendor for the acquisition of 5% of the equity interest held by him in KHMV for a cash consideration of USD400,000 which is approximately RM1.7 million subject to terms and conditions in the Transfer Agreement ("Acquisition"). The Acquisition was completed on 23 July 2025, thus increasing the Company's equity interest in KHMV from 75% to 80%.

## Statement by Directors

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

In the opinion of the Directors, the financial statements set out on pages 69 to 129 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 April 2025 and of their financial performance and cash flows for the financial year then ended.

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

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**Yap Toon Choy**

Director

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**Yong Elaine**

Director

Date: 18 August 2025

## Statutory Declaration

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

I, **Kok Mun Choon**, the officer primarily responsible for the financial management of Kein Hing International Berhad, do solemnly and sincerely declare that the financial statements set out on pages 69 to 129 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed, Kok Mun Choon, NRIC No.: 710811-06-5059, MIA CA 14044, at Kuala Lumpur in the Federal Territory on 18 August 2025.

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**Kok Mun Choon**

Before me:

Balwant Singh  
(No. W857)  
Commissioner For Oaths

# Independent Auditors' Report

To The Members of Kein Hing International Berhad  
 (Registration No. 200301013636 (616056-T)) (Incorporated in Malaysia)

## Report on the Audit of the Financial Statements

We have audited the financial statements of Kein Hing International Berhad, which comprise the statements of financial position as at 30 April 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 69 to 129.

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

## Basis for Opinion

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

## *Independence and Other Ethical Responsibilities*

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

## Key Audit Matters

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

<b>Revenue recognition</b>	
Refer to Note 16 – Revenue	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
The Group's revenue is derived from the sales of manufactured and trading products, sales of tooling/mould and scrap sales. For those manufactured and trading products and scrap sales, the Group generally recognises revenue when the goods are delivered and accepted by the customers, whilst the revenue for tooling/mould is recognised when the cost are incurred as there is no alternative use for the goods and the Group have rights to payment for work performed.	We performed, amongst others, the following audit procedures: <ul style="list-style-type: none"> <li>• We evaluated the design and implementation and tested the operating effectiveness of the key internal controls in respect of the revenue recognition and billings process;</li> <li>• We compared, on a sampling basis, sales transactions recorded before and after the financial year end date with supporting documents to assess whether revenue has been recognised in the correct financial year;</li> <li>• We tested trade receivables balances as at financial year end, on a sampling basis, by sending confirmations to selected trade receivables or tracing to cash receipts subsequent to the financial year end for those confirmations replies that were not forthcoming;</li> </ul>
We identified revenue recognition as a key audit matter due to risk of manipulation as management faces pressures to meet its financial performance targets to manage shareholders' expectations in which revenue is the key driver of financial performance of the Group.	

## Independent Auditors' Report

To The Members of Kein Hing International Berhad  
(Registration No. 200301013636 (616056-T)) (Incorporated in Malaysia)

### **Key Audit Matters (continued)**

<b>Revenue recognition (continued)</b>	
Refer to Note 16 – Revenue	
<b>The key audit matter</b>	<b>How the matter was addressed in our audit</b>
	<ul style="list-style-type: none"> <li>• We performed test of details on the actual costs incurred during the financial year to determine the appropriateness of the contract assets recognised as at financial year end;</li> <li>• We evaluated, on sampling basis, credit notes issued after financial year end by vouching to supporting documents to assess whether those transactions are recognised in the correct financial year;</li> <li>• We identified journal entries posted to revenue account which were considered to meet specific criteria and evaluated the appropriateness of these journal entries by vouching to the relevant supporting documents; and</li> <li>• We assessed the adequacy of disclosures in the financial statements.</li> </ul>

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

### **Information Other than the Financial Statements and Auditors' Report Thereon**

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Financial Statements**

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

## Independent Auditors' Report

To The Members of Kein Hing International Berhad  
(Registration No. 200301013636 (616056-T)) (Incorporated in Malaysia)

### Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- i) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- iv) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- vi) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

## Independent Auditors' Report

To The Members of Kein Hing International Berhad  
(Registration No. 200301013636 (616056-T)) (Incorporated in Malaysia)

### Report on Other Legal and Regulatory Requirements

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

### Other Matter

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

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

**Florence Chua Lei Choon**  
Approval Number: 03347/01/2026 J  
Chartered Accountant

Petaling Jaya

Date: 18 August 2025

# List of Properties

As At 30 April 2025

Location	Registered/ Beneficial Owner	Existing Use/ Description of Property	Tenure/ Expiry Date	Age of Buildings years	Land Area/			Net Book Value RM
					Built-up Area sq. m.	Date of Last Revaluation/ Acquisition		
Lot 2121 Jalan Maktab Off Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Residential; Single-storey bungallow house	Freehold	42	488/ 226	1-12-2004		279,863
Lot 1863 and 1864 Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/ Industrial; Single-storey factory with a 3-storey office and factory annexe	Freehold	28	7,891/ 7,900	18-2-2004 (Revalued)		7,885,166
Lot 44, Jalan 6/2 Kawasan Perusahaan Seri Kembangan 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/ Industrial; Single-storey semidetached factory with a 2-storey office annexe	Leasehold expiring on 7-11-2099	29	988/ 795	18-2-2004 (Revalued)		532,122
Lot 33, Jalan 6/2, Kawasan Perusahaan Seri Kembangan 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/Industrial; Single-storey factory with 2½-storey office annexe	Leasehold expiring on 10-1-2089	24	4,086/ 2,123	18-2-2004 (Revalued)		2,594,507
Lot 1866 and 1867 Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/Industrial; 3-storey factory with 4-storey office cum car park block	Freehold	21	8,255/ 8,179	1-12-2004		9,362,840
Lot 7896, Tempat Batu 5 Jalan Kuala Lumpur Mukim Bentong Daerah Bentong Pahang Darul Makmur	KHI	Agriculture; Fruit orchard and vacant land	Freehold	N/A	3.4171 Hectares	8-1-2003		236,425
S153, Off Jalan Raya 5 Jalan 3/1, Serdang Jaya 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Residential; Single-storey wooden house	Leasehold expiring on 28-10-2046	40	297.6/ 250	25-2-2003		102,352
Lot 1840 Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Warehouse/ Industrial; Single-storey warehouse cum car park block	Freehold	17	4,300/ 1,230	1-7-2008		1,166,963
Lot 5038 Jalan Perindustrian HP4 HICOM Industrial Park Pegoh 78000 Alor Gajah Melaka	KHI	Investment property (Factory/ Industrial); Single-storey factory with a 2-storey office annexe	Freehold	10	16,776/ 5,290	21-6-2011		8,903,843

## List of Properties

As At 30 April 2025

<b>Location</b>	<b>Registered/ Beneficial Owner</b>	<b>Existing Use/ Description of Property</b>	<b>Tenure/ Expiry Date</b>	<b>Age of Buildings years</b>	<b>Land Area/</b>		
					<b>Built-up Area sq. m.</b>	<b>Date of Last Revaluation/ Acquisition</b>	<b>Net Book Value RM</b>
Plot C3 Thang Long Industrial Park Thien Loc Commune Hanoi, Vietnam	KHMV	Factory/ Industrial; Single-storey factory with a 2-storey office annexe	Leasehold expiring on 28-2-2047	21	15,693/ 12,190	1-11-2004	5,347,018
No. 109, Street No. 12 VSIP Hai Phong Dinh Vu-Cat Hai Economic Zone Hoai Binh Ward Hai Phong, Vietnam	KHMV	Factory/ Industrial; Single-storey factory with a 3-storey office and warehouse annexe	Leasehold expiring on 7-6-2058	10	16,300/ 11,515	31-7-2012	14,723,148
Plot No. CN8-2 Diem Thuy Industrial Park Diem Thuy Commune Thai Nguyen, Vietnam	KHTV	Factory/ Industrial; 3-storey factory	Leasehold expiring on 5-12-2064	8	17,900/ 9,510	6-2-2015	12,600,244
Plot No. Y6-B Thang Long Industrial Park II Duong Hao Ward Hung Yen, Vietnam	KHMH	Industrial; Vacant land	Leasehold expiring on 16-11-2056	-	12,000	11-2-2025	6,985,590
Lot No. F10 Wisdom Park @ Jenjarom (Phase 3A) 42600 Pekan Jenjarom Kuala Langat Selangor Darul Ehsan	KHIB	Investment property under construction (Industrial); Semi-detached factory with office	Freehold	-	2,181/ 1,413	13-9-2024	1,048,091
Plot 41, Phase 2C HICOM Industrial Park Pegoh 78000 Alor Gajah Melaka	KHIB	Investment property under construction (Industrial); Vacant land	Freehold	-	13,152	4-10-2024	2,151,864
No. 10A, Jalan Kolej Taman Jinma 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Residential; Single-storey house	Freehold	-	222/ 82	13-9-2024	335,000

# Analysis of Shareholdings

As At 31 July 2025

Total number of issued shares : 108,899,996

Class of share : Ordinary share

Voting rights : One (1) vote per ordinary share

Number of shareholders : 1,533

## ANALYSIS BY SIZE OF SHAREHOLDINGS

<b>Size of Holdings</b>	<b>No. of Shareholders</b>	<b>No. of Shares</b>	<b>Percentage (%)</b>
1 – 99	124	2,761	0.00
100 – 1,000	396	175,876	0.16
1,001 – 10,000	652	2,519,060	2.31
10,001 – 100,000	300	8,808,840	8.09
100,001 – 5,444,998 (*)	58	21,757,000	19.98
5,444,999 and above (**)	3	75,636,459	69.46
<b>Total</b>	<b>1,533</b>	<b>108,899,996</b>	<b>100.00</b>

Remark: \* Less than 5% of the total number of issued shares

\*\* 5% and above of the total number of issued shares

## DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

<b>Directors</b>	<b>Direct Shareholdings</b>		<b>Indirect Shareholdings</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Yap Toon Choy	41,172,582	37.81	22,762,077 <sup>(a)</sup>	20.90
Yong Elaine	22,762,077	20.90	41,172,582 <sup>(b)</sup>	37.81
Khor Yew Chye	-	-	-	-
Jancy Oh Suan Tin	-	-	-	-
Low Khoon Boon	-	-	-	-
Gan Poh Chan	-	-	-	-

(a) Deemed interest by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Companies Act, 2016 (the "Act").

(b) Deemed interest by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.

## Analysis of Shareholdings

As At 31 July 2025

### SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

<b>Substantial shareholders</b>	<b>Direct Shareholdings</b>		<b>Indirect Shareholdings</b>	
	<b>No. of Shares</b>	<b>%</b>	<b>No. of Shares</b>	<b>%</b>
Yap Toon Choy	41,172,582	37.81	22,762,077 <sup>(a)</sup>	20.90
Yong Elaine	22,762,077	20.90	41,172,582 <sup>(b)</sup>	37.81
Kam Loong Mining Sdn. Bhd.	11,701,800	10.75	-	-
Yap Ah Fatt	22,000	0.02	12,911,800 <sup>(c)</sup>	11.86
Foo Khen Ling	1,210,000	1.11	11,723,800 <sup>(c)</sup>	10.77

- (a) Deemed interest by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Act.
- (b) Deemed interest by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.
- (c) Deemed interest by virtue of his/her direct interest in Kam Loong Mining Sdn. Bhd. pursuant to Section 8(4)(b) and in each other interest by virtue of Section 197 of the Act.

### LIST OF TOP THIRTY (30) SHAREHOLDERS

<b>No. Shareholders</b>	<b>No. of Shares</b>	<b>Percentage %</b>
1. Yap Toon Choy	41,172,582	37.81
2. Yong Elaine	22,762,077	20.90
3. Kam Loong Mining Sdn. Bhd.	11,701,800	10.75
4. Maybank Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Koh Pee Boon	2,298,000	2.11
5. Ooi Chin Hock	2,159,940	1.98
6. Shum Thin Soon	2,000,000	1.84
7. Foo Khen Ling	1,210,000	1.11
8. CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account For Teh Swee Heng (Mm1118)	950,000	0.87
9. Swee Soo Mang	750,000	0.69
10. Ghan Ah Kooi	583,130	0.54
11. Teh Bee Gaik	532,200	0.49
12. Yee Tien Soon	504,010	0.46
13. Tan Lee Kiew	501,000	0.46
14. Koay Choon Chin	500,000	0.46
15. Tan Wei Yen	500,000	0.46
16. Ana Low	407,550	0.37
17. Cartaban Nominees (Asing) Sdn. Bhd. The Bank Of New York Mellon For Acadian Emerging Markets Micro-Cap Equity Master Fund	374,700	0.34
18. Yap Wern Yian	361,000	0.33
19. HLB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Lim Hang Kok	348,000	0.32
20. Ng Ying Pei	308,000	0.28
21. Gan Siew Kee	304,480	0.28
22. Khoo Kay Thuan	300,000	0.28

## Analysis of Shareholdings

As At 31 July 2025

### LIST OF TOP THIRTY (30) SHAREHOLDERS (CONTINUED)

No. Shareholders	No. of Shares	Percentage %
23. Ten Kim Thai	300,000	0.28
24. Moomoo Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Ewe Seong Joo	295,700	0.27
25. CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - Pledged Securities Account For Ng Geok Wah (BBrklang-CI)	288,750	0.27
26. Yap Siew Lee	231,000	0.21
27. Tan May Lee	230,000	0.21
28. HLB Nominees (Tempatan) Sdn. Bhd. - Pledged Securities Account For Loo Seng Hock	220,500	0.20
29. Tan Chiew Aik	206,000	0.19
30. Teoh Sook Ai	205,000	0.19

# Notice of Annual General Meeting

**NOTICE IS HEREBY GIVEN THAT** the Twenty-Second Annual General Meeting of the Company will be held at the Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia on Friday, 10 October 2025 at 10.00 a.m. for the following purposes:-

## AGENDA

- |   |  |
|---|--|
| <ol style="list-style-type: none"> <li>1. To receive the Audited Financial Statements for the financial year ended 30 April 2025 together with the Directors' and Independent Auditors' Reports thereon.</li> <li>2. To approve the Aggregate Directors' fees and benefits of an amount not exceeding RM320,000 from 11 October 2025 until the Twenty-Third Annual General Meeting of the Company.</li> <li>3. To approve a First and Final Single-Tier Dividend of 2.5 sen per ordinary share for the financial year ended 30 April 2025.</li> <li>4. To re-elect the following Directors who are retiring in accordance with Clause 92 of the Company's Constitution:-           <ul style="list-style-type: none"> <li>(a) Mr. Khor Yew Chye</li> <li>(b) Ms. Jancy Oh Suan Tin</li> </ul> </li> <li>5. To re-appoint Messrs. KPMG PLT, the retiring Auditors of the Company and to authorise the Board of Directors to fix their remuneration.</li> <li>6. <b>SPECIAL BUSINESS:-</b></li> </ol> | <b>Please refer to Note C on this Agenda</b> |
|   | <b>RESOLUTION 1</b>                          |
|   | <b>RESOLUTION 2</b>                          |
|   | <b>RESOLUTION 3</b>                          |
|   | <b>RESOLUTION 4</b>                          |
|   | <b>RESOLUTION 5</b>                          |

- To consider and, if thought fit, pass with or without modifications, the following Ordinary Resolutions:-
- (a) **AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES**

**RESOLUTION 6**

**"THAT** pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the Twenty-Third Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the Issued Shares of the Company for the time being, subject always to the approvals of the relevant regulatory authorities."

**AND THAT** the Directors be and are also authorised to obtain the approval for the listing of and quotation for the additional shares issued pursuant to the mandate above on Bursa Malaysia Securities Berhad.

**AND FURTHER THAT** the above authority/approval shall commence upon the passing of Resolution 6 and will continue to be in force until the conclusion of the next Annual General Meeting of the Company."

## Notice of Annual General Meeting

**(b) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH T.C. YAP HOLDINGS SDN. BHD. AND MR. YAP TOON CHOY**

**RESOLUTION 7**

"**THAT** approval be and is hereby given to the Kein Hing International Berhad ("KHIB") Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with T.C. Yap Holdings Sdn. Bhd. and Mr. Yap Toon Choy, the Group Managing Director and Major Shareholder of KHIB as stated in section 2.3.3 of the Circular to shareholders of the Company dated 29 August 2025, being necessary for the day-to-day operations of the KHIB Group, subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and is not to the detriment of the minority shareholders and that such transactions are made on an arm's length basis and on normal commercial terms; and
- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate during the financial year; and
- (iii) the authority given shall continue to be in force until:
  - (a) the conclusion of the Twenty-Third Annual General Meeting ("AGM") of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Third AGM, the authority is renewed; or
  - (b) the expiration of the period within which the Twenty-Third AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
  - (c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

**THAT** the Directors be and are hereby authorised to complete and do all such acts, deeds and things necessary to give effect to the transactions contemplated or authorised by this resolution."

**(c) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH KAM LOONG MINING SDN. BHD.**

**RESOLUTION 8**

"**THAT** approval be and is hereby given to the KHIB Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with Kam Loong Mining Sdn. Bhd., a Major Shareholder of KHIB as stated in section 2.3.3 of the Circular to Shareholders of the Company dated 29 August 2025, being necessary for the day-to-day operations of the KHIB Group, subject to the following:-

- (i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and is not to the detriment of the minority shareholders and that such transactions are made on an arm's length basis and on normal commercial terms; and

## Notice of Annual General Meeting

- (ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate during the financial year; and
- (iii) the authority given shall continue to be in force until:
  - (a) the conclusion of the Twenty-Third AGM of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Third AGM, the authority is renewed; or
  - (b) the expiration of the period within which the Twenty-Third AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or
  - (c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

**THAT** the Directors be and are hereby authorised to complete and do all such acts, deeds and things necessary to give effect to the transactions contemplated or authorised by this resolution."

**(d) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK**

**RESOLUTION 9**

"**THAT** subject to the Companies Act, 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be and is hereby authorised to purchase and/or to hold up to ten percent (10%) of the issued Shares of the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company and an amount not exceeding the retained profits of the Company, be allocated by the Company for the Proposed Share Buy-Back. The retained profits of the Company are RM28,658,587 for the financial year ended 30 April 2025.

**AND THAT** upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel such shares or retain such shares as the Treasury Shares or a combination of both. The Directors of the Company are further authorised to resell the Treasury Shares on Bursa Securities or distribute the Treasury Shares as dividends to the shareholders of the Company or subsequently cancel the Treasury Shares or any combination of the three.

**AND FURTHER THAT** the Directors of the Company be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until:

- (a) the conclusion of the Twenty-Third AGM of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the Twenty-Third AGM, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the Twenty-Third AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

## Notice of Annual General Meeting

(c) it is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors of the Company deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities."

7. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

### NOTICE OF DIVIDEND ENTITLEMENT

**NOTICE IS HEREBY GIVEN THAT** a First and Final Single-Tier Dividend of 2.5 sen per ordinary share in respect of the year ended 30 April 2025 amounting to RM2,722,500, if passed, shall be payable on 21 November 2025 to Depositors registered in the Record of Depositors at the close of business on 6 November 2025.

A Depositor shall qualify for entitlement only in respect of:-

- a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 6 November 2025, in respect of ordinary transfers; and
- b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board

**KEIN HING INTERNATIONAL BERHAD**

**NG YIM KONG (MACS00305)**

SSM Practicing Certificate No. 202008000309

Company Secretary

29 August 2025

Selangor Darul Ehsan

### IMPORTANT NOTES

#### A. Appointment of Proxy

1. A proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either executed under seal or under the hand of two (2) authorised officers, one of whom shall be a director or attorney so authorised. A Proxy may but need not be a Member of the Company.
2. A Member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of Members of the Company. A Member may appoint more than one (1) but not exceeding two (2) proxies to participate, speak and vote at the same meeting, provided that he specifies the proportion of his shareholdings to be represented by each proxy.
3. A proxy who is the only proxy appointed by a Member shall be entitled to vote on a poll. Where a Member entitled to vote on a resolution has appointed more than one proxy, his/her proxies shall only be entitled to vote on poll and the appointment shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.

## Notice of Annual General Meeting

4. Where a Member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") which holds ordinary Shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds.
5. Where a Member is an authorised nominee as defined under 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.
6. The Proxy Form shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the Member is a corporation, it must be executed under its common seal or by its duly authorised attorney or officer.
7. The instrument appointing a Proxy must be deposited at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time fixed for convening the Meeting or at any adjournment thereof.
8. In respect of Deposited Securities, only Members whose names appear in the Record of Depositors on 3 October 2025 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the Twenty-Second Annual General Meeting.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

### B. Audited Financial Statements

This agenda item is meant for discussion only as the provision of Sections 248 (2) and 340 (1) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

### Explanatory Notes on Special Business:-

#### (a) Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Resolution 6 under Agenda 6 (a), if passed, will empower the Directors of the Company, from the date of the Twenty-Second Annual General Meeting, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the Issued Shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the Shareholders at the Twenty-First Annual General Meeting held on 16 October 2024. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to placement of shares for purpose of funding current and/or future investment or projects, working capital and/or acquisitions.

Up to the date of this Notice, the Company has not issued any shares pursuant to the mandate granted to the Directors at the Twenty-First Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

## Notice of Annual General Meeting

### (b) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolutions 7 and 8 under Agenda 6 (b) and (c), if passed, will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties concerned provided that such transactions are in the ordinary course of business and undertaken at arm's length, on normal commercial terms of the Company and its subsidiaries which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders ("Proposed Renewal of Shareholders' Mandate").

The Proposed Renewal of Shareholders' Mandate would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential recurrent related party transactions arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and without adversely affecting the business opportunities available to the Company and its subsidiaries.

Further information on the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 29 August 2025 of the Company which is despatched together with the Annual Report 2025 of the Company for the financial year ended 30 April 2025.

### (c) Proposed Renewal of Shareholders' Mandate for Share Buy-Back

The proposed Resolution 9 under Agenda 6 (d), if passed, will allow the Company to purchase and/or hold up to 10% of the total Issued Shares of the Company listed on Bursa Malaysia Securities Berhad. For further information on the Proposed Renewal of Shareholders' Mandate for Share Buy-Back, please refer to the Statement to Shareholders set out in Part B of the Circular to Shareholders dated 29 August 2025 which is despatched together with the Company's Annual Report 2025 for the financial year ended 30 April 2025.

## GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 64(5) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 3 October 2025. Only a depositor whose name appears on the Record of Depositors as at 3 October 2025 shall be entitled to attend this meeting or appoint proxy/proxies to attend and/or vote in his/her stead.

### **Personal data privacy:**

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



**KEIN HING INTERNATIONAL BERHAD**

[Company No. 200301013636 (616056-T)]  
(Incorporated in Malaysia)

**FORM OF PROXY**

I/We \_\_\_\_\_ (NRIC No./Passport No./Company No.) \_\_\_\_\_  
of \_\_\_\_\_

being a member of **KEIN HING INTERNATIONAL BERHAD** hereby appoint:

Full Name (in Block) and as per NRIC/Passport	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

\*and

Full Name (in Block) and as per NRIC/Passport	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the meeting as my/our Proxy(ies) to vote for me/us and act on my/our behalf at the Twenty-Second Annual General Meeting of the Company which will be held at the Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia on Friday, 10 October 2025 at 10.00 a.m. and at any adjournment thereof for/against\* the resolution(s) to be proposed thereat.

\* My/Our Proxy(ies) is(are) to vote as indicated below:-

Resolutions	Agenda	For	Against
1.	To approve the Aggregate Directors' fees and benefits of an amount not exceeding RM320,000 from 11 October 2025 until the Twenty-Third Annual General Meeting.		
2.	To approve First and Final Single-Tier Dividend of 2.5 sen per ordinary share.		
3.	To re-elect Mr. Khor Yew Chye as Director.		
4.	To re-elect Ms. Jancy Oh Suan Tin as Director.		
5.	To re-appoint Messrs. KPMG PLT as Auditors and to authorise the Board of Directors to fix their remuneration.		
6.	To authorise the Directors to allot and issue shares.		
7.	To approve the renewal of shareholders' mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") with T.C. Yap Holdings Sdn. Bhd. and Mr. Yap Toon Choy.		
8.	To approve the renewal of shareholders' mandate for RRPT with Kam Loong Mining Sdn. Bhd..		
9.	To approve the renewal of shareholders' mandate for Share Buy-Back by the Company.		

\* Delete if not applicable

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain at his/her discretion].

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2025

(Signature/Common Seal of Member)

CDS Account No.:	
Number of shares held:	

*Fold this flap for sealing*

Notes:-

A. Appointment of Proxy

1. A proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either executed under seal or under the hand of two (2) authorised officers, one of whom shall be a director or attorney so authorised. A Proxy may but need not be a Member of the Company.
2. A Member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of Members of the Company. A Member may appoint more than one (1) but not exceeding two (2) proxies to participate, speak and vote at the same meeting, provided that he specifies the proportion of his shareholdings to be represented by each proxy.
3. A proxy who is the only proxy appointed by a Member shall be entitled to vote on a poll. Where a Member entitled to vote on a resolution has appointed more than one proxy, his/her proxies shall only be entitled to vote on poll and the appointment shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.
4. Where a Member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") which holds ordinary Shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds.
5. Where a Member is an authorised nominee as defined under 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.
6. The Proxy Form shall be signed by the appointor or his/her attorney duly authorised in writing or, if the Member is a corporation, it must be executed under its common seal or by its duly authorised attorney or officer.
7. The instrument appointing a Proxy must be deposited at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time fixed for convening the Meeting or at any adjournment thereof.
8. In respect of Deposited Securities, only Members whose names appear in the Record of Depositors on 3 October 2025 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the Twenty-Second Annual General Meeting.
9. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.

*Then fold here*

Stamp

**KEIN HING INTERNATIONAL BERHAD**

[Company No. 200301013636 (616056-T)]

Lot 1863, Jalan Kolej  
43300 Seri Kembangan  
Selangor Darul Ehsan  
Malaysia

*1<sup>st</sup> fold here*





## **KEIN HING INTERNATIONAL BERHAD**

[Company No. 200301013636 (616056-T)]

Lot 1863, Jalan Kolej,  
43300 Seri Kembangan,  
Selangor Darul Ehsan, Malaysia.

**[www.keinhing.com](http://www.keinhing.com)**