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K. SENG SENG CORPORATION BERHAD

Company No.: 198501000983 (133427-W)

2025 ANNUAL REPORT

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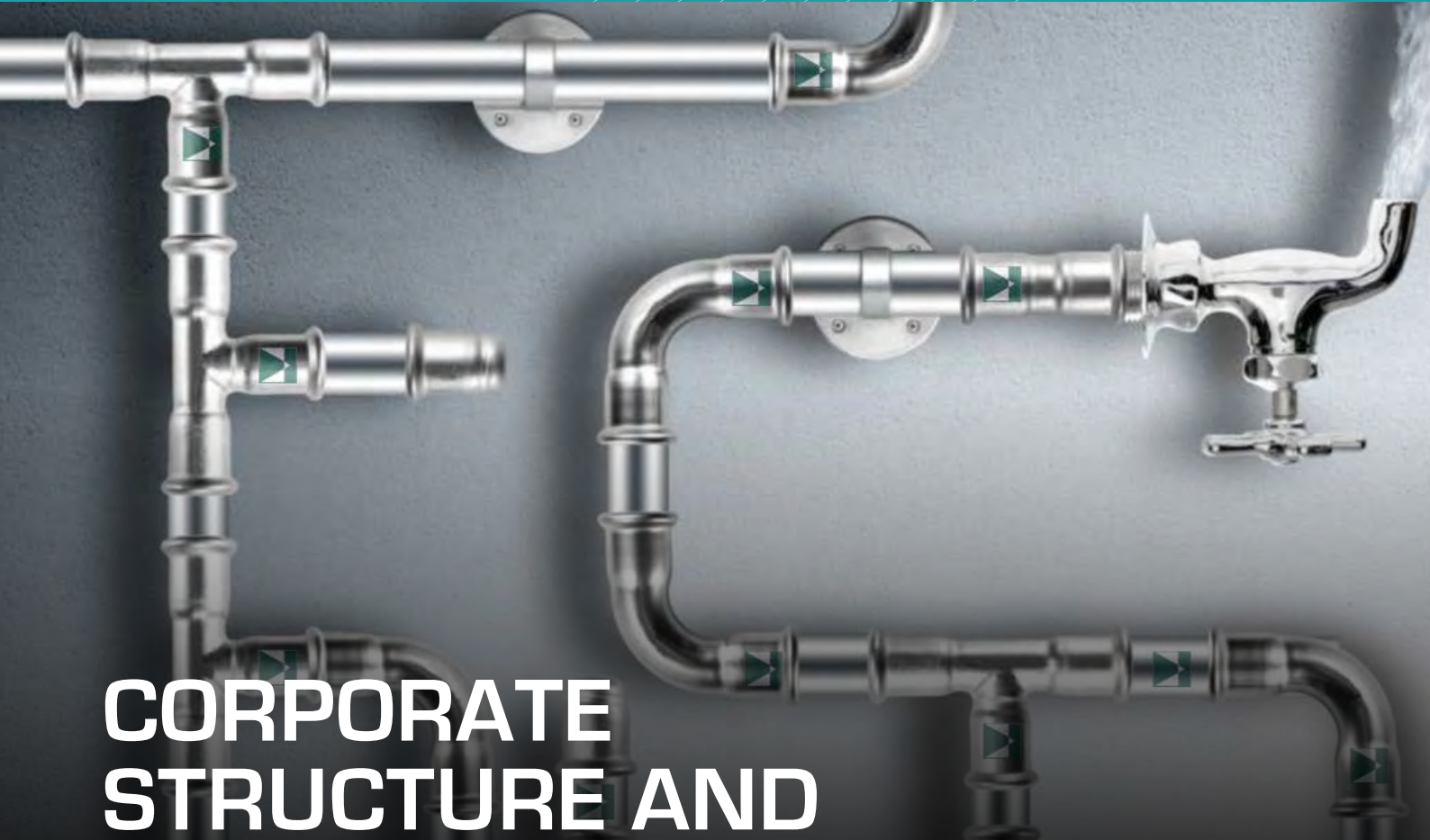
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K. SENG SENG CORPORATION BERHAD ●



CORPORATE STRUCTURE AND OVERVIEW

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CORPORATE INFORMATION

As at 15 April 2026

Board of Directors

01

Datuk Low Chin Koon

Independent Non-Executive Chairman

02

Wong Pak Yii

Executive Director and Chief Executive Officer
(Appointed on 27 March 2026)

03

Er Kian Hong

Independent Non-Executive Director

04

Teh Boon Beng

Independent Non-Executive Director

05

Ng Heng Hong

Non-Independent and Non-Executive Director
(Appointed on 14 April 2026)

06

Lee Hai Peng

Executive Director
(Resigned on 6 April 2026)

07

Dr Lim Pang Kiam

Non-Independent and Non-Executive Director
(Resigned on 6 April 2026)

AUDIT AND RISK MANAGEMENT COMMITTEE

Chairperson:

Er Kian Hong

Members:

Teh Boon Beng

Datuk Low Chin Koon

(Resigned on 22 April 2025)

Dr Lim Pang Kiam

(Resigned on 6 April 2026)

NOMINATION AND REMUNERATION COMMITTEE

Chairman:

Teh Boon Beng

Members:

Er Kian Hong

Datuk Low Chin Koon

(Resigned on 22 April 2025)

Dr Lim Pang Kiam

(Resigned on 6 April 2026)

* Nomination Committee and Remuneration Committee merged into a single Board Committee known as "Nomination and Remuneration Committee" on 22 April 2025.



CORPORATE INFORMATION

As at 15 April 2026

PRINCIPAL PLACE OF BUSINESS

Lot 3707, Jalan 7/5,
Taman Industri Selesa Jaya,
43300 Balakong,
Selangor Darul Ehsan, Malaysia.
Tel : 03-8961 5555
Fax : 03-8962 1111

WEBSITE

www.kssc.com.my

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia
Securities Berhad

STOCK NAME : KSSC
STOCK CODE : 5192

COMPANY SECRETARIES

Khoo Ming Siang
(MAICSA No.: 7034037)
(SSM PC No.: 202208000150)

Chan Min Wai
(MIA No.: 26548)
(SSM PC No.: 202108000131)

Yip Wei Lun
(MIA No.: 47569)
(SSM PC No.: 202208000373)

REGISTERED OFFICE

Unit 8, Level 7,
Kompleks Komersil Akasa,
Jalan Akasa, Akasa Cheras Selatan,
43300 Seri Kembangan,
Selangor Darul Ehsan, Malaysia.
Tel : 03-8655 5188
Fax : 03-8655 5199
Email : cosec@aquilla.com.my

SHARE REGISTRAR

Tricor Investor & Issuing House
Services Sdn. Bhd.
[197101000970 (11324-H)]
Unit 32-01, Level 32, Tower A,
Vertical Business Suite, Avenue 3,
Bangsar South,
No. 8 Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia.
Tel : 03-2783 9299
Fax : 03-2783 9222
Email : is.enquiry@my.tricorglobal.com

PRINCIPAL BANKERS

Malayan Banking Berhad
RHB Bank Berhad
OCBC Bank (Malaysia) Berhad
Hong Leong Bank Berhad
AmBank (M) Berhad

SOLICITORS

Phang Tham Teoh & Co
L.H. Tan & Partners

AUDITORS

HLB Ler Lum Chew PLT
(201906002362 & AF0276)
Chartered Accountants
A-23-1, Level 23,
Hampshire Place Office,
157 Hampshire,
No. 1, Jalan Mayang Sari,
Off Jalan Tun Razak,
50450 Kuala Lumpur
Website : www.hlblerlumchew.com
Tel : 03-7980 5588

CORPORATE STRUCTURE

As at 15 April 2026





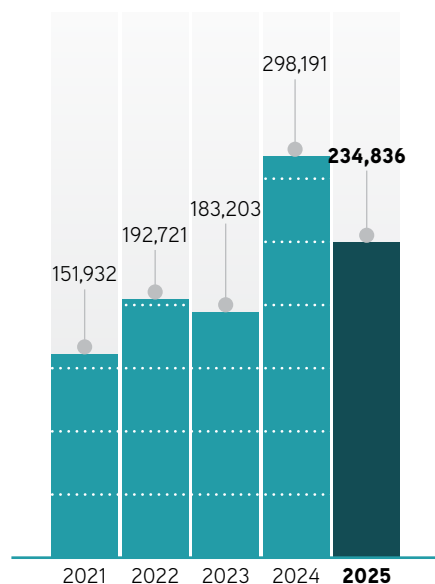
5-YEAR FINANCIAL HIGHLIGHTS

	2021	2022	2023 (Restated)	2024	2025
Revenue (RM'000)	151,932	192,721	183,203	298,191	234,836
Profit/(Loss) Before Tax (RM'000)	14,882	2,989	(12,145)	10,243	8,065
Profit/(Loss) After Tax (RM'000)	11,022	1,754	(13,239)	7,980	6,149
Earnings/(Losses) before interest, taxes, depreciation and amortisation (EBITDA/(LBITDA)) (RM'000)	19,299	8,997	(3,739)	22,297	21,296
Number of shares in issue ('000)	115,200	129,600	150,179	185,279	202,286
Total Equity attributable to owners of the Company (RM'000)	96,133	97,615	102,091	140,454	159,211
Net Earning/(Loss) Per Share (Sen)	8.25	1.14	(9.82)	4.70	3.12
Net Dividend Per Share (RM)	0.01	-	-	-	-
Net Assets Per Share (Sen)	0.85	0.78	0.73	0.78	0.80
Return on Equity (%)	11%	2%	-13%	6%	4%
Return on Assets (%)	5%	1%	-5%	2%	2%
Gearing (times)	0.58	0.55	1.14	1.01	0.58

5-YEAR FINANCIAL HIGHLIGHTS

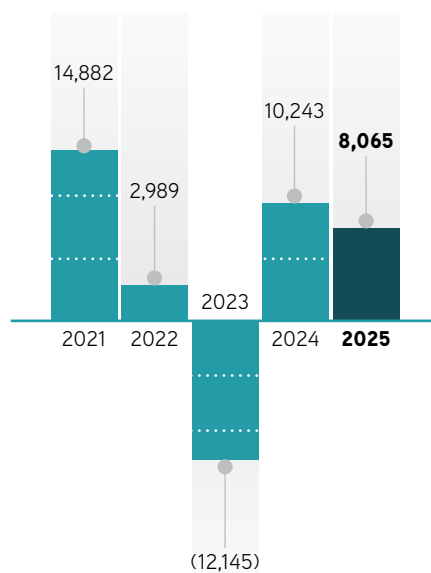
REVENUE

(RM'000)



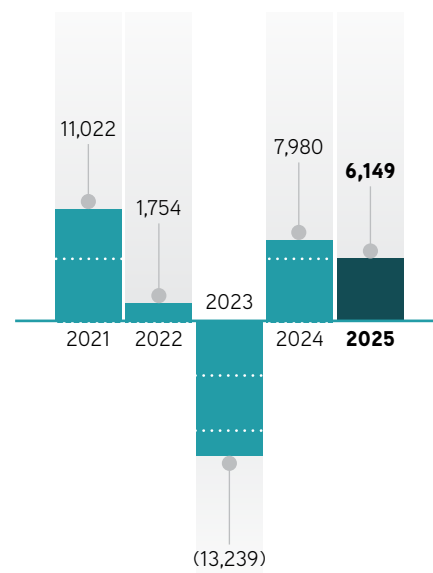
PROFIT/(LOSS) BEFORE TAX

(RM'000)



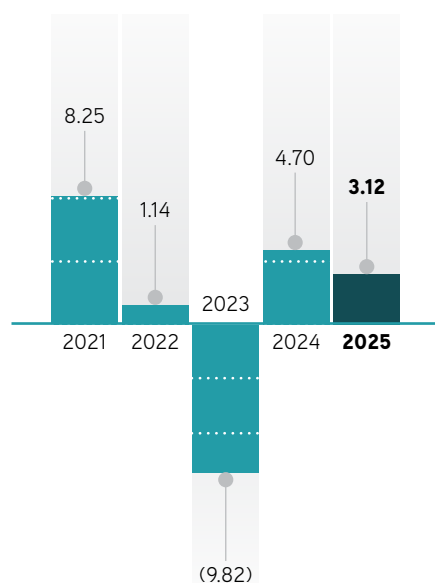
PROFIT/(LOSS) AFTER TAX

(RM'000)



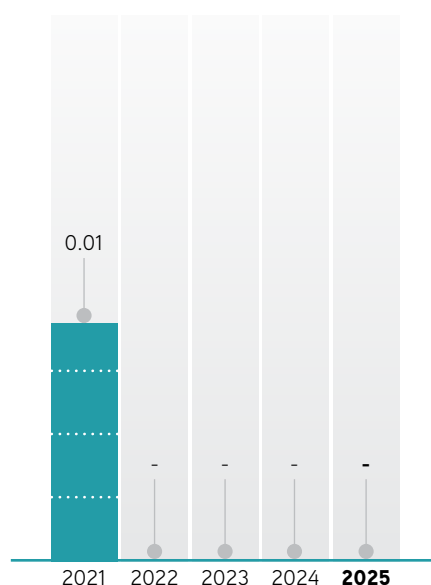
NET EARNING/(LOSS) PER SHARE

(SEN)



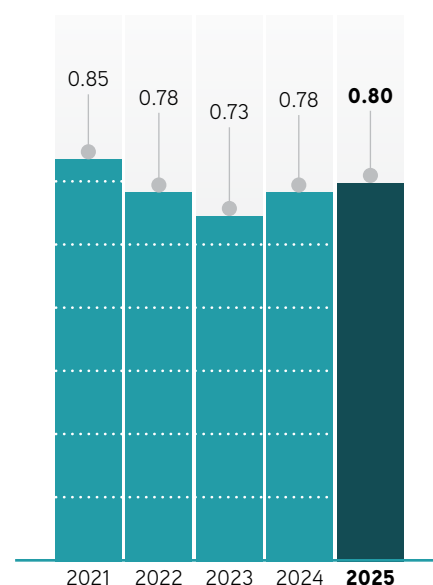
NET DIVIDEND PER SHARE

(RM)



NET ASSETS PER SHARE

(SEN)





02

K. SENG SENG CORPORATION BERHAD



MANAGEMENT OVERVIEW

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MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF FY2025

FY2025 WAS MARKED BY SUBDUED GLOBAL STEEL DEMAND, BUT STAINLESS STEEL REMAINED THE BACKBONE OF KSSC'S OPERATIONS.

Despite industry-wide pricing pressures and cautious sentiment in construction and manufacturing, the Group's stainless steel and metal-related products segment contributed RM147.47 million, or 62.80% of total revenue. While revenue contracted by 27.76% due to weaker volumes and lower selling prices, gross profit margin improved significantly to 13.42% (FY2024: 9.34%), underscoring management's success in prioritising higher-margin grades, selective sales and disciplined cost control.

Raw material volatility — particularly in nickel and chromium — continued to weigh on input costs, but KSSC's procurement discipline and flexible operating model helped mitigate margin erosion. Domestic construction activity provided a baseline of demand, while the Group's integrated capabilities in stainless steel fabrication and project execution supported customer retention in a competitive market.

In parallel, KSSC advanced its diversification strategy through aluminium extrusion and precision manufacturing, positioning these segments as complementary growth drivers. However, stainless steel remains the Group's core strength and primary revenue contributor, anchoring its role as a one-stop steel solutions provider.

FINANCIAL PERFORMANCE

The Group's financial performance in FY2025 reflected the challenging operating environment, characterised by subdued demand, pricing pressures and cost volatility across the metals sector.

A summary of the Group's key financial indicators and year-on-year movements is presented below.

INDICATOR	Change Between FY2024 and FY2025		
	FY2025 (RM)	FY2024 (RM)	FY2025 (%)
Group revenue	234,835,897	298,190,635	(21.25)
Gross profit	41,397,228	44,382,882	(6.73)
Group operating expenses	33,230,699	36,627,527	(9.27)
Group EBITDA	21,295,675	22,297,157	(4.49)
Group profit before tax	8,064,652	10,242,907	(21.27)
Group profit after tax	6,148,622	7,980,083	(22.95)
Finance cost	7,113,025	7,394,709	(3.81)
Shareholders' equity	159,210,582	140,454,157	13.35
Total Assets	296,895,565	341,229,664	(12.99)
Total liabilities	134,456,678	197,610,439	(31.96)
Capital expenditure	15,629,360	5,826,063	168.27
Borrowings	94,609,135	145,555,373	(35.00)
Cash flow and bank balances (including cash and cash equivalents)	11,217,467	11,873,601	(5.53)
Debt to equity ratio	0.84	1.41	(40.43)
Earnings per share	3.12	4.70	(33.62)
Net assets per share	0.80	0.78	2.56
Market capitalisation	150,703,260	147,297,008	2.31

MANAGEMENT DISCUSSION AND ANALYSIS

In FY2025, the Group recorded revenue of RM234.84 million, representing a decline of 21.25% from RM298.19 million in FY2024. This contraction was primarily attributable to lower sales volumes and softer average selling prices, in line with prevailing market conditions. Despite the decline in topline performance, operating expenses decreased by 9.27% to RM33.23 million (FY2024: RM36.63 million), reflecting the Group's continued emphasis on cost rationalisation and prudent expenditure management. The Group recorded an improved gross profit margin of 17.63% in FY2025, up from 14.88% in the previous financial year, driven by effective pricing strategies and optimisation of customer mix in response to market demand and foreign exchange fluctuations.

Earnings before interest, taxes, depreciation and amortisation ("EBITDA") declined marginally by 4.49% to RM21.30 million (FY2024: RM22.30 million), demonstrating relative operational resilience despite weaker revenue. However, profit before tax decreased by 21.27% to RM8.06 million (FY2024: RM10.24 million), while profit after tax declined by 22.95% to RM6.15 million (FY2024: RM7.98 million), primarily due to margin compression arising from lower selling prices and ongoing cost pressures.

Finance costs reduced by 3.81% to RM7.11 million (FY2024: RM7.39 million), in line with the Group's efforts to optimise its financing structure. Correspondingly, the Group's balance sheet strengthened during the year, with shareholders' equity increasing by 13.35% to RM159.21 million (FY2024: RM140.45 million). Total liabilities decreased significantly by 31.96% to RM134.46 million (FY2024: RM197.61 million), while borrowings declined by 35.00% to RM94.61 million (FY2024: RM145.56 million), reflecting deleveraging initiatives undertaken during the year.

Total assets stood at RM296.90 million, representing a reduction of 12.99% from RM341.23 million in the previous financial year, mainly attributable in line with overall balance sheet rationalisation and reduced scale of operations. The Group's liquidity position remained stable, with cash flow and bank balances at RM11.22 million (FY2024: RM11.87 million).

The Group's capital expenditure increased substantially to RM15.63 million (FY2024: RM5.83 million), reflecting strategic investments to support future growth, particularly in the aluminium segment. This included the acquisition of aluminium extrusion machinery and ongoing investments in building infrastructure.

In line with the reduction in borrowings, the Group's debt-to-equity ratio improved significantly to 0.84 times (FY2024: 1.41 times), indicating a strengthened capital structure and enhanced financial flexibility. Earnings per share decreased to 3.12 sen (FY2024: 4.70 sen), in line with the decline in profitability, while net assets per share increased to 0.80 sen (FY2024: 0.78 sen), reflecting the growth in shareholders' equity. Market capitalisation increased marginally by 2.31% to RM150.70 million.

During the financial year, the Group also recognised dividend income of RM2.54 million declared by its associate, arising from its strategic investment, contributing to overall returns.

Overall, while the Group's financial performance was impacted by external headwinds, it remained broadly in line with Management's expectations given the prevailing macroeconomic uncertainties, including fluctuations in raw material prices, geopolitical developments and evolving global trade dynamics. The Group continued to adopt a prudent and disciplined approach in managing financial and operational risks, while maintaining operational continuity and service reliability.

In terms of investing activities, the Group undertook capital investments to strengthen its production capabilities, including the acquisition of two aluminium extrusion machines with capacities of 1,450 MT and 770 MT, respectively. These investments are intended to support the Group's aluminium extrusion production and facilitate future expansion, in line with its strategy to diversify its product portfolio and strengthen its capabilities within the aluminium segment. In addition, the Group is currently developing a new corporate office, which is expected to be completed in 2026. The new facility will support the Group's growing operational requirements while providing an improved working environment for employees. Additionally, approximately RM5.0 million was incurred for building under construction to support the operational expansion.

On the financing front, the Group completed a private placement exercise, raising RM12.75 million. The proceeds were primarily utilised for the repayment of bank borrowings and to support working capital requirements, contributing to the Group's improved gearing position.

The Group did not declare any dividends for FY2025, as it remains focused on preserving cash to support ongoing investments, strengthen its balance sheet and position the business for sustainable long-term growth.



THE GROUP IS CURRENTLY DEVELOPING A NEW CORPORATE OFFICE, WHICH IS EXPECTED TO BE COMPLETED IN 2026. THE NEW FACILITY WILL SUPPORT THE GROUP'S GROWING OPERATIONAL REQUIREMENTS WHILE PROVIDING AN IMPROVED WORKING ENVIRONMENT FOR EMPLOYEES.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS AND OPERATIONAL HIGHLIGHTS

SEGMENTAL PERFORMANCE

Stainless Steel and Metal-Related Products

The Stainless Steel and Metal-Related Products segment remained the Group's largest revenue contributor in FY2025, generating RM147.47 million (FY2024: RM204.15 million) and accounting for 62.80% of Group revenue. However, the segment recorded a 27.76% decline in revenue compared with FY2024, reflecting the combined effects of softer market demand, lower selling prices and continued competitive pressure in the stainless-steel market. Even so, the segment's operating quality improved meaningfully. Through cost optimisation initiatives and a higher contribution from better-margin products, gross profit margin for the segment increased to 13.42% from 9.34% in the previous year. This suggests that management's strategy of prioritising margin preservation, selective sales and tighter operating control helped offset some of the pressure arising from weaker market conditions.

Operationally, the segment also continued to benefit from efforts to streamline internal production and outsource selected manual processes where commercially sensible. In a year where capacity utilisation was closely tied to prevailing market sentiment and customer demand, the Group adopted a flexible operating model to better align production with actual order flow, while avoiding unnecessary cost absorption. This was an important consideration in preserving profitability in a subdued market. At the same time, the segment continued to support the Group's broader positioning as a one-stop steel solutions provider towards projects and customers involved in the manufacturing and engineering sectors, allowing KSSC to compete not only on price, but on integrated capability, responsiveness and service.

Marine Hardware and Consumables

The Marine Hardware and Consumables segment operated in a more cautious demand environment during FY2025, with revenue declining to RM21.17 million (FY2024: RM22.32 million) in line with softer market sentiment and more selective customer demand. Nevertheless, the segment remained operationally resilient, with gross profit margin improving to 23.05% from 22.59% in the previous financial year. This indicates that while volumes were more challenging, management was still able to preserve value through tighter cost controls, procurement discipline and a measured commercial approach.

The segment continues to serve as an important niche business within the Group's portfolio, supported by KSSC's established market relationships and its ability to complement trading activities with broader manufacturing and project execution capabilities. In an environment where customer purchasing decisions were more selective, the ability to retain business through dependable service, product familiarity and operational continuity remained a competitive strength.

Other Industrial Hardware

The Other Industrial Hardware segment recorded improved performance during the year, with revenue increasing to RM33.86 million (FY2024: RM28.46 million), supported by improved sales

momentum. However, gross profit margin moderated to 13.74% from 23.11% in the previous financial year, reflecting changes in product and business mix, including the increased contribution from aluminium-related activities under KSSA. As this segment is in the early stages of development, it currently operates a relatively lower margin, which impacted the overall profitability of the segment despite higher revenue recorded during the year.

From a strategic standpoint, this segment remains relevant as part of the Group's wider offering to industrial customers. KSSC's ongoing intent to broaden its product range supports the medium-term role of this segment as a complementary contributor to revenue diversification.

Engineering and Project Works

The Engineering and Project Works segment remained strategically important in FY2025, particularly as the Group deepened its participation in aluminium-related activities. Revenue declined to RM83.73 million (FY2024: RM102.95 million) amid softer project flows and cautious market conditions. Despite this, the segment recorded only a marginal decrease in gross profit margin to 12.49% from 12.63% in the previous financial year, reflecting improved project selectivity, execution efficiency and cost control.

The segment's development should also be viewed in the context of the Group's broader aluminium expansion strategy, including the commissioning of the new extrusion lines in October 2025. This additional capacity is expected to support future aluminium fabrication and project work by improving in-house capability, turnaround time and production flexibility.

The Group has also indicated its intention to actively pursue new projects in stainless steel water piping and plumbing solutions, as well as aluminium works, across a broader range of industries and applications. This is a strategically relevant shift to not only reduce dependence on a narrower customer base or project type but also strengthen the Group's positioning as a more comprehensive solutions provider. Over time, the integration of extrusion capability with project execution may allow the segment to capture greater value across the chain, from fabrication to installation and delivery.

Investment Holding

While investment holding is not a principal operating segment in the same way as the Group's manufacturing and trading businesses, FY2025 saw meaningful strategic progress in this area through the further investment in Metalmach. Revenue contribution remained minimal at RM63,800 (FY2024: RM30,000), but its strategic significance increased during the year following the Group's acquisition of a controlling stake. The Group recorded RM1.82 million in share of results from the associate during the year, while dividend income declared by associate companies totalled RM2.54 million.

More importantly, the investment provides opportunities to enhance operational capabilities through improved manufacturing efficiency, supported by ongoing investments in machinery, automation and facility expansion, while strengthening the Group's positioning in higher-precision and more specialised manufacturing activities.

MANAGEMENT DISCUSSION AND ANALYSIS

OPERATIONAL IMPROVEMENTS AND COST EFFICIENCY

Operational efficiency remained a key focus throughout FY2025, with the Group implementing a range of initiatives to optimise its cost structure and enhance productivity across its manufacturing, processing, project and trading operations. The Group's supply chain is supported by a diversified network of both local and international suppliers, with long-standing relationships maintained to ensure consistent quality, supply reliability and cost competitiveness. On the procurement front, the Group maintains close relationships with its suppliers and closely monitors inventory levels to enter into forward purchase arrangements where appropriate, enabling better pricing visibility and cost management in a volatile market environment.

During the year, the Group faced several supply chain challenges, including delays in goods delivery driven by geopolitical tensions and logistics bottlenecks, fluctuations in freight and shipping costs, port congestion in key trade routes, as well as volatility in raw material prices and foreign exchange movements. These factors required closer coordination with suppliers, enhanced inventory planning and more proactive procurement strategies to ensure operational continuity. This approach allowed the Group to better align its cost base with demand fluctuations while maintaining operational agility.

In addition, the Group emphasised improved material utilisation, waste reduction and continuous process optimisation to mitigate the impact of rising input costs. Pricing to customers is guided by prevailing market conditions and the Group's internal pricing mechanisms, allowing for appropriate cost pass-through while maintaining competitiveness. Procurement strategies were also strengthened through closer monitoring of global price trends and more disciplined purchasing decisions, enabling the Group to better manage cost fluctuations while maintaining operational efficiency.

The Group's supply chain continues to be influenced by foreign exchange movements, given its reliance on U.S. dollar-denominated raw materials. In FY2025, the average USD rate declined to 4.28 compared to 4.57 in FY2024, reflecting a moderation in currency pressures during the year. Although the average USD/MYR rate eased during the year, volatility remained a key consideration. The Group actively monitored currency trends and utilised forward contracts where appropriate to mitigate foreign exchange risk, improve cost visibility and support more effective procurement planning in a volatile pricing environment. In parallel, pricing strategies were carefully managed to balance cost pass-through with customer retention, ensuring that margins were preserved without compromising market competitiveness.

The commissioning of the aluminium extrusion lines also represents a step-change in operational efficiency, as these lines are less labour-intensive and offer improved production consistency. Over time, this is expected to support higher productivity, better yield and enhanced scalability, reinforcing the Group's operational resilience.

HUMAN CAPITAL AND WORKFORCE OPTIMISATION

During the year, the Group focused on strengthening its human capital through targeted recruitment, skills development and training initiatives, particularly in areas aligned with its evolving operational focus such as aluminium production, fabrication and precision manufacturing. These efforts are intended to enhance technical competencies, improve productivity and ensure the Group is well-positioned to support its expanding capabilities.

At the same time, the Group maintained a balanced workforce strategy by combining skilled in-house personnel with outsourced labour where appropriate. The Group also maintained clear Key Performance Indicators (KPIs) and incentive frameworks to enhance performance accountability, promote operational efficiency and support sustainable productivity improvements.

MARKET POSITIONING AND CUSTOMER ENGAGEMENT

In an increasingly competitive environment characterised by pricing pressure and rising imports, the Group continued to differentiate itself through its integrated capabilities across manufacturing, trading and project execution. KSSC's ability to offer end-to-end solutions, from material supply to fabrication and project delivery, strengthens its value proposition, particularly for infrastructure and construction-related customers. This integrated approach supports stronger customer relationships, repeat business and participation in more complex, higher-value projects.

The Group maintains a diversified customer base across multiple industries and markets, which helps to mitigate concentration risk and support revenue stability. Pricing to customers is guided by prevailing market conditions and the Group's internal pricing mechanisms, enabling appropriate cost pass-through while maintaining competitiveness in a price-sensitive environment. This approach allows the Group to balance margin preservation with customer retention.

MANAGEMENT DISCUSSION AND ANALYSIS

OUTLOOK AND PROSPECTS

Building on the operational foundations established in FY2025, the Group enters the new financial year with a continued focus on execution, capability scaling and disciplined growth. External conditions are expected to remain challenging yet manageable in the near term, supported by a gradual recovery in key end-user industries such as construction, infrastructure, manufacturing and engineering, although volatility in global steel prices and raw material costs is expected to persist. The Group's forward strategy is centred on strengthening its positioning in higher value-added segments, enhancing utilisation of newly expanded capacity and further embedding operational efficiencies across its business segments.

Within its core stainless steel and metal-related products segment, the operating environment is expected to remain competitive, with pricing pressure likely to persist amid continued import competition and cautious customer demand. In response, the Group will continue to prioritise margin preservation through product mix optimisation, disciplined pricing and selective project participation. These efforts are supported by enhanced inventory management and closer integration between procurement and sales functions, enabling the Group to strengthen pricing discipline, improve cost pass-through mechanisms and better manage exposure to price volatility.

The Engineering and Project Works segment is expected to assume a more prominent role in driving growth, supported by the progressive ramp-up of aluminium extrusion capacity. With the newly commissioned lines now operational, the Group will focus on improving utilisation rates and integrating upstream production with downstream fabrication and project execution. This is expected to enhance operational efficiency, reduce reliance on external processing and enable the Group to capture greater value across the supply chain. With strengthened operational capabilities in its aluminium extrusion segment, the Group is well-positioned to meet growing customer demand and progressively increase its contribution from aluminium-related activities.

The Group's expansion into precision manufacturing through its controlling stake in Metalmach is also expected to contribute more meaningfully over time. Efforts will be directed towards strengthening operational integration, enhancing technical capabilities and leveraging cross-selling opportunities across the Group's existing customer base. This is anticipated to support diversification into more specialised and higher-value manufacturing segments, while reducing reliance on more commoditised product categories. In response to evolving market dynamics, the Group is progressively shifting from a volume-driven approach towards a more value-driven strategy, focusing on higher value-added products, improved turnaround times and more customised solutions to meet increasingly specific customer requirements.

From an operational perspective, the Group will continue to embed cost discipline and efficiency improvements across its operations. Key priorities include further optimisation of procurement practices, tighter inventory management and continued adoption of flexible production models to align capacity with demand. The Group will also focus on maximising the benefits of its recent capital investments, particularly in automation and production efficiency, to support productivity improvements and margin stability.

Foreign exchange volatility, geopolitical tensions, and raw material price fluctuations are expected to remain key considerations in the period ahead. Ongoing global conflicts may disrupt supply chains and drive up the cost of key raw materials, creating additional margin pressures. The Group will therefore maintain a proactive approach to cost and risk management, including the use of appropriate hedging strategies and careful pricing adjustments to mitigate these impacts while maintaining customer competitiveness.

In parallel, the Group will continue to invest in its human capital to support its evolving operational and technical requirements. Strengthening competencies in areas such as aluminium fabrication, project execution and precision manufacturing will be critical to ensuring effective delivery and supporting the Group's transition towards more value-added activities. The Group will also continue to adopt a flexible workforce approach to balance operational efficiency with scalability.

Overall, while the near-term outlook remains shaped by external uncertainties, the Group is focused on leveraging its strengthened operational platform, expanded capabilities and integrated business model to drive sustainable growth. By continuing to shift towards higher value-added activities, improving capacity utilisation and maintaining disciplined execution, KSSC is well-positioned to navigate prevailing market conditions and capitalise on opportunities as the operating environment stabilises.

DIRECTORS' PROFILE

As at 15 April 2026

Datuk Low Chin Koon

Independent Non-Executive Chairman

Gender: Male

Aged: 47

Nationality: Malaysian



Datuk Low was appointed to the Board as an Independent Non-Executive Director on 22 December 2022. He was redesignated as the Board Chairman on 22 April 2025 and stepped down as the Chairman of the Remuneration Committee and a member of the Nomination Committee and the Audit and Risk Management Committee on the same date.

Datuk Low is the Group Managing Director of Wysen Group of Companies. He founded Wysen Industry Sdn Bhd in 1999 venturing into the business of making office chairs. He then expanded his business by exporting to Australia, Brunei, Middle East, India, Africa and other countries.

In 2004 and 2005, he established Wysen Office Supplies Sdn Bhd and Wysen Office Systems Sdn Bhd to sell products to local markets and manufacturing of panel

workstations respectively. As a Group Managing Director, Datuk Low monitors the entire operations and take charge of the business development of the Group, in addition to the implementation of quality management project within the Group. Datuk Low established a Corporate Charity Fund in 2009. He was a board committee of the Malaysia Furniture Council Youth Chief and Malaysian Timber Industry Board and was in the Research Advisor Committee of the Forest Research Institute Malaysia Board.

He is currently a Non-Independent Non-Executive Chairman of Tex Cycle Technology (M) Berhad, and the Independent Non-Executive Director of several other public listed companies namely Mestron Holdings Berhad and Techbase Industries Berhad. He is also a governing committee member of Malaysian Furniture Council.

Wong Pak Yii

Executive Director and Chief Executive Officer



Gender: Male

Aged: 58

Nationality: Malaysian

Mr Wong was appointed to the Board as an Executive Director and Chief Executive Officer on 27 March 2026.

Mr Wong obtained his professional qualification from the Institute of Chartered Secretaries & Administrators (ICSA) and master's degree from Business Administration (MBA) in Irish University Business School, London and has over 30 years of experience in marketing, procurement, manufacturing, and business development, primarily in the steel and mining sectors.

He was a Board Member of the Malaysia Steel Institute (2025 to 2026), Steel Industry Sabah (2023 to 2026) and is the Honorary Treasurer of Malaysia Steel Association (2018 to 2026), providing oversight on corporate governance, risk management, and board committee functions.

Mr Wong was the Manager at Duratrend Industries Sdn Bhd, the Marketing Manager at Insulflex/Insultech Sdn Bhd, and the Sales Officer at Pesaka Jardine Shipping Agencies Sdn Bhd and was the Commercial Director of Amsteel Mills Marketing Sdn Bhd (The Lion Group), where he was primarily responsible for strategic marketing and procurement operations, risk management, and corporate strategy and executive decision-making. His career reflects a strong track record in driving operational efficiency, establishing new ventures, and contributing to both national and regional industry bodies.

He is currently the Independent Non-Executive Chairman of Agricore CS Holdings Berhad.

DIRECTORS' PROFILE

As at 15 April 2026

Ng Heng Hong

Non-Independent Non-Executive Director

Gender: Male

Aged: 47

Nationality: Malaysian



Mr Ng was appointed to the Board on 14 April 2026 as Non-Independent Non-Executive Director.

Mr Ng graduated with a Bachelor of Science from Universiti Teknologi Malaysia and embarked on his entrepreneurial journey in 2002, managing and growing businesses in the building materials industry. Mr Ng has more than 15 years of experience in managing businesses and companies under the EC Excel Group. As the Managing Director of EC Excel Group, he plays a central role in driving the strategic direction, business expansion, and overall corporate growth of the Group. Over the years, Mr Ng has been actively involved in the leadership and management of enterprises across diverse sectors. He holds various directorships and shareholdings in private companies primarily engaged in the manufacturing

and trading of value-added steel wire, galvanised wire, and other metal products. His business interests also extend to the trading and wholesale of construction materials, property investment and development, as well as the food and beverage industry.

He is currently the Executive Director of Eurospan Holdings Berhad.

Er Kian Hong

Independent Non-Executive Director

Gender: Female

Aged: 49

Nationality: Malaysian



Ms Er was appointed to the Board on 6 January 2023 as an Independent Non-Executive Director. She is also the Chairperson of the Audit and Risk Management Committee and is a member of the Nomination and Remuneration Committee.

She holds a degree in Accounting and Finance from the University of Technology, Australia. She is a Certified Practising Accountants (CPA) member in Australia.

Ms Er is currently attached to a boutique corporate advisory firm where she provides advisory services to companies undertaking corporate exercises. Ms Er has vast experience in corporate finance and was involved in corporate exercises such as initial public offerings (IPO), fundraising and restructuring. Ms Er served in the Corporate Finance department of M&A

Securities Sdn Bhd from May 2014 to December 2021. Before that, she was in the Corporate Finance/Strategy department of KSK Group Berhad from February 2007 to March 2014, where she was involved in assessing and implementing possible mergers and acquisition opportunities for KSK Group Berhad.

She is currently the Independent Non-Executive Director of several other public listed companies, namely Aldrich Resources Berhad, Ajiya Berhad, Hextar Capital Berhad and SSF Home Group Berhad.

DIRECTORS' PROFILE

As at 15 April 2026

Teh Boon Beng

Independent Non-Executive Director

Gender: Male

Aged: 65

Nationality: Malaysian



Mr Teh was appointed to the Board on 22 December 2022 as an Independent Non-Executive Director. He is also the Chairman of the Nomination and Remuneration Committee and is a member of Audit and Risk Management Committee.

Mr Teh holds a Bachelor's Degree in Economics majoring in Business Administration from the University of Malaya in the year 1984.

Mr Teh has extensive experience in the financial and banking industry through his 37 years of exposure in the banking sector. He started his career in Maybank in 1984 as Credit Officer after graduation. He has built up his career path in Maybank from Credit Officer to Assistant Branch Manager Operation, Assistant Branch Manager Credit, Branch Manager of Pengkalan Weld and Nibong Tebal and the Business Centre

Head in Prai over the years. He was the Business Centre Head in Alor Setar for the past 6 years prior to his retirement in 2021. Indeed, he is an all-rounder capable of handling banking operations and credit loan applications in various business entities and sectors which include property development, rice milling, manufacturing and trading. He is able to plan and strategise his resources to achieve the desired outcome. He is competent in building up teamwork, guiding, directing and tracking their individual performance to be in line with corporate goals.

He is currently the Independent Non-Executive Director of Ajiya Berhad and Agricore CS Holdings Berhad.

Other information:

1. Family Relationship with any Director and/or Major Shareholder

None of the Directors has any family relationship with any other Director and/or Major Shareholder of the Company.

2. Directors' Shareholdings

Details of the Directors' Shareholdings in the Company are provided in the Analysis of Shareholdings Section in this Annual Report.

3. Directorship in public companies and listed issuers

Save as disclosed above, none of the Directors holds any directorships in public companies and listed issuers.

4. Conflict of Interest with the Group

None of the Directors of the Company has any conflict of interest and potential conflict of interest with the Group.

5. Convictions for Offences

None of the Directors of the Company has been convicted for any offences (excluding traffic offences) within the past five (5) years. There was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.

6. Attendance of Board Meetings

Details of the Board meeting attendance of each director in respect of the Board meetings held during the financial year ended 31 December 2025 are disclosed in the Corporate Governance Overview Statement in this Annual Report.

KEY SENIOR MANAGERMENTS' PROFILE

As at 15 April 2026

Chan Min Wai

Chief Operating Officer and
Joint Company Secretary



Gender: Male **Aged:** 52 **Nationality:** Malaysian

Academic/Professional Qualification:

- Malaysian Institute of Accountants (MIA)
- Chartered Association of Certified Accountants (ACCA), United Kingdom

Working Experience:

- He has more than 20 years of working experience in audits of small and medium-sized companies and public listed companies, and reporting accountants for various corporate exercises, including IPO, reverse takeover, acquisitions, and disposals of assets or companies, fund-raising, and financial due diligence review and investigations.
- He has been working in Ernst & Young Malaysia, KPMG Vietnam, and Baker Tilly Malaysia.
- He joined the Company in November 2020 as Chief Financial Officer. He was re-designated as Chief Operating Officer since September 2022. He is also the Joint Company Secretary since April 2021. He is sitting on the Board of various subsidiaries.
- His current role includes developing strategic, business goals, corporate finance, risk and compliance functions, and assisting the Executive Directors in the day-to-day operations.
- He is a member of the ESOS committee.

Appointment to the Current Position:

1 September 2022

Other directorship in public companies and listed issuers:

Nil

Yeoh Soo Chin

Chief Financial Officer



Gender: Female **Aged:** 50 **Nationality:** Malaysian

Academic/Professional Qualification:

- Malaysian Institute of Accountants (MIA)
- Chartered Association of Certified Accountants (ACCA), United Kingdom (Fellow Member)
- Certificate of Goods and Services Tax (GST) from the Royal Malaysian Customs Department

Working Experience:

- She has more than 20 years of working experience in accounting, audit, treasury, and corporate finance specializing in project financing, debt capital raising, corporate and debt restructuring, and treasury cash management.
- She started her career with Moore Stephens and held various senior positions in other listed companies in Malaysia which were involved in the construction, steel industry, and property development in Malaysia.
- Her current role includes being responsible for all financial aspects of the Group such as management and coordination of financial reporting, financial planning, debt financing, treasury and budget, developing business strategies and Group objectives and assisting the Executive Directors in the day-to-day operations.
- She is a member of the ESOS committee.

Appointment to the Current Position:

1 September 2022

Other directorship in public companies and listed issuers:

Nil

KEY SENIOR MANAGERMENTS' PROFILE

As at 15 April 2026

Yip Wei Lun

Deputy Chief Financial Officer and
Joint Company Secretary**Gender:** Male **Aged:** 39 **Nationality:** Malaysian**Academic/Professional Qualification:**

- Malaysian Institute of Accountants (MIA)
- Certified Practising Accountants, Australia (CPA)
- Bachelor of Commerce (Hons) Accounting

Working Experience:

- He has 13 years of working experience in external audit, providing audit and assurance services for a diversified base of clients in various industries, primarily in manufacturing, construction, services and healthcare industries.
- Prior to joining the Company, he worked at BDO LLP Singapore and Baker Tilly Malaysia.
- Currently, he is executive director for PTM Stainless Steel Industry Sdn Bhd and EIE Industrial Products Sdn Bhd, overseeing day-to-day operations, sales activities as well as business planning and development. He also sits on the Board of certain subsidiaries.

Appointment to the Current Position:

3 January 2023

Other directorship in public companies and listed issuers:

Nil

Ravindran P Jayaprathapan

Director of PTM Water System
Sdn. Bhd.**Gender:** Male **Aged:** 51 **Nationality:** Malaysian**Academic/Professional Qualification:**

- BSc (Hons) Computing

Working Experience:

- He has more than 17 years of working experience in Stainless Steel Plumbing Systems and stainless steel-related products.
- He has been associated with the Department of Standards Malaysia working committee for MS Standard 1988:2007 welded Stainless-Steel tubes for the conveyance of water.
- He has also been involved in assessing new business opportunities in various organisations and developing sales and marketing teams, as well as implementing Enterprise Resource Planning System for various organisations before he joined the Group.
- Currently, he oversees the day-to-day operations, and sales activities as well as business planning and development of PTM Water System Sdn Bhd.

Appointment to the Current Position:

3 January 2023

Other directorship in public companies and listed issuers:

Nil

KEY SENIOR MANAGERMENTS' PROFILE

As at 15 April 2026

Chia Ai Peng

Director of Koseng Sdn. Bhd.



Gender: Male **Aged:** 55 **Nationality:** Malaysian

Academic/Professional Qualification:

- Primary education at Sekolah Jenis Kebangsaan (C) Hwa Lien, Klang, Selangor

Working Experience:

- He has more than 30 years of experience in the trading of marine hardware and consumables and steel industrial hardware.
- He oversees the Marine Hardware and Consumables segment's day-to-day operations, sales activities as well as business planning and development

Appointment to the Current Position:

24 September 2012

Other directorship in public companies and listed issuers:

Nil

Chi On Kang

Director of Three and Three Hardware Sdn. Bhd.



Gender: Male **Aged:** 66 **Nationality:** Malaysian

Academic/Professional Qualification:

- Bachelor of Arts in Political Study, Lakehead University, Canada

Working Experience:

- He has more than 30 years of experience working with various banks as a branch and regional manager, responsible for managing business development activities and building business relationships.
- He was the Head of Corporate Planning and Marketing of SDS Group Berhad before joining the Company as the Head of Business Development.
- He oversees the day-to-day operations, and sales activities as well as business planning and development of the subsidiary.

Appointment to the Current Position:

1 November 2021

Other directorship in public companies and listed issuers:

Nil

Other information:

1. Family Relationship with any Director and/or Substantial Shareholder

There is no family relationship between the Key Senior Management with any Director and/or Substantial Shareholders of the Company.

2. Conflict of Interest with the Group

None of the Key Senior Management of the Company have any conflict of interest with the Group.

3. Convictions for Offences

None of the Key Senior Management of the Company have been convicted of any offenses within the past five (5) years. There was no public sanction or penalty imposed by the relevant regulatory bodies during the financial year ended 31 December 2025.



03

K. SENG SENG CORPORATION BERHAD ●

A close-up photograph of an industrial welding process. A bright, intense light emanates from the point where a welding torch is applied to a metal component, creating a large, glowing weld pool. The surrounding area is dark, with some metallic structures visible in the background.

SUSTAINABILITY AND GOVERNANCE

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SUSTAINABILITY STATEMENT

ABOUT THIS STATEMENT

K. SENG SENG CORPORATION BERHAD (“KSSC” OR “THE GROUP”) IS PLEASED TO PRESENT ITS SUSTAINABILITY STATEMENT (“SS2025” OR “THE STATEMENT”) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025, MARKING THE GROUP’S CONTINUED COMMITMENT TO TRANSPARENCY AND RESPONSIBLE VALUE CREATION.

Building on the foundations established in previous years, SS2025 reflects KSSC’s ongoing efforts to integrate sustainability across its manufacturing, trading operations, and engineering works. The Statement underscores the Group’s role in advancing sustainable practices within the stainless-steel and metals industry while supporting long-term stakeholder value.

KSSC remains focused on embedding Economic, Environmental, Social and Governance (“EESG”) considerations into its business decisions and operational strategies. The Group’s sustainability agenda emphasises operational efficiency, regulatory compliance, responsible supply chain management, and workforce empowerment, in line with its mission to be a leading regional strategic metals distribution hub.

REPORTING SCOPE AND BOUNDARY

This Statement covers the operations of K. Seng Seng Corporation Berhad and all subsidiaries within the Group, encompassing their three core business segments:

Manufacturing	PTM Stainless Steel Industry Sdn. Bhd. (“PTM”)
Engineering	SA Aluminium and Glass Sdn. Bhd. (“SA”)
Trading	Three and Three Hardware Sdn. Bhd. (“TTH”)

The reporting boundary is determined based on the Group’s operational control, ensuring that disclosures encompass entities where KSSC exercises management oversight. The reporting period spans from 1 January 2025 to 31 December 2025 (“FYE2025”). Unless otherwise stated, all data and information disclosed reflect activities within this timeframe. Where applicable and data is available, the Statement includes up to three years of historical data to provide context and trend comparison.

It is encouraged to view this Statement together with the KSSC Annual Report 2025 for a holistic perspective on the Group’s financial and non-financial performance.

REPORTING GUIDELINES AND REFERENCE

This Statement has been prepared based on all available internal data and in accordance with Paragraph 29, Part A of Appendix 9C and Practice Note 9 of Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Main Market Listing Requirements (“MMLR”) on sustainability statements. It is further guided by other relevant accounting, financial, and sustainability frameworks, as outlined below:

- **Bursa Malaysia Sustainability Reporting Guide (3rd Edition)**
- **Global Reporting Initiative (“GRI”) 2021 (Core Option)**
- **FTSE4Good Bursa Malaysia Index**
- **Task Force on Climate-Related Financial Disclosures (“TCFD”)**
- **National Sustainability Reporting Framework (“NSRF”)**
- **Sustainability Accounting Standards Board (“SASB”) Standards**
- **International Financial Reporting Standards (“IFRS”)**
- **Malaysian Code on Corporate Governance 2021 (“MCCG 2021”)**
- **United Nations Sustainable Development Goals (“UN SDGs”)**

STATEMENT OF USE

The Board of Directors (“the Board”) of KSSC, as the highest governing authority within the Group, acknowledges its collective responsibility for the accuracy, balance, and completeness of SS2025. The Board affirms that this Statement addresses the material sustainability issues relevant to the Group’s operations and reflects KSSC’s ongoing commitment to responsible business governance.

The information contained herein has been reviewed and approved by the Board on 15 April 2026.

SUSTAINABILITY STATEMENT

DATA QUALITY AND RELIABILITY

SS2025 has not been subjected to an assurance process. Nonetheless, the sustainability information and data presented have been subject to internal review and validation by relevant data owners and business divisions, with oversight from the Group’s Management Team to ensure accuracy and consistency. Upon completion, the Statement was reviewed and approved by the Board of Directors, reinforcing accountability for the reliability of disclosures.

While sustainability disclosures were not assured, any financial information included in this Statement has been independently audited and may be reconciled with the Group’s Financial Report. The Group continues to enhance its internal controls and data management practices to support the reliability of future sustainability disclosures.

EXCLUSIONS, LIMITATIONS, AND DISCLAIMERS

KSSC acknowledges certain limitations in data availability for selected performance indicators, particularly those reliant on third-party sources or newly introduced metrics. The Group is actively enhancing its data governance processes to support more consistent and comprehensive disclosures in future reporting cycles.

Additionally, information or financial figures from previous years may be restated to reflect improvements in data collection, more thorough calculations, or the adoption of recommended best practices.

This Statement also includes forward-looking statements concerning strategic plans, targets, and performance outlooks. These statements are based on current expectations and reasonable assumptions under prevailing business conditions, and actual results may differ due to changes in market dynamics, economic factors, or other circumstances beyond the Group’s control.

REPORT AVAILABILITY AND FEEDBACK

This SS2025 may be accessed at www.kssc.com.my.

KSSC is committed to transparent and inclusive stakeholder engagement. Feedback, questions, and suggestions regarding sustainability performance and disclosures are greatly welcomed, and can be directed to:



Chief Financial Officer
Email: cfo@kssc.com.my
Telephone number: +603 – 8655 5188

OUR
SUSTAINABILITY
STRATEGY

**SUSTAINABILITY HIGHLIGHTS
IN 2025**



ECONOMIC

RM 234.8MIL
of economic value generated

61.5%
of the total procurement budget
spent on local suppliers

ZERO
recalls issued and total units
recalled for health and safety
reasons



ENVIRONMENT

**GHG
INVENTORY**
encompassing Scopes 1 –
3 established

9.50%
of total energy
use supplied by
renewable energy

130.37
TCO₂E
of carbon emissions
avoided from
renewable energy
initiatives



SOCIAL

**1,689
HOURS**
of training provided

ZERO
confirmed incidents
of human rights
violations

25%
of women
representation in a
total workforce of 247
employees

ZERO
work-related
fatalities

ZERO
confirmed incidents
of corruption

ZERO
confirmed incidents of
whistleblowing cases

SUSTAINABILITY STATEMENT

APPROACH TO SUSTAINABILITY

KSSC remains committed to progressively strengthening its sustainability framework, embedding ESG considerations into its strategic planning, operational decision-making, and risk management processes. By aligning sustainability priorities with the Group's business objectives, KSSC seeks to support long-term value creation while maintaining operational resilience and responsible growth.

The Group's sustainability approach is guided by four interconnected pillars that reflect the nature of its operations and stakeholder expectations:



Through these pillars, KSSC integrates sustainability considerations into its governance structures and day-to-day operations, reinforcing its commitment to responsible growth and long-term stakeholder confidence.

STAKEHOLDER ENGAGEMENT

KSSC adopts a structured approach to stakeholder engagement as part of its sustainability governance framework. The Group identifies its key stakeholders based on their level of influence on, and interest in, our operations, ensuring that engagement efforts are proportionate, relevant and aligned with business priorities.

Through ongoing dialogue and established communication channels, the Group seeks to understand stakeholder expectations, emerging concerns and industry developments. This engagement process strengthens transparency, supports informed decision-making and reinforces accountability at both Management and Board levels.

Importantly, stakeholder input forms a critical component of the Group's materiality assessment process. Insights gathered through engagement activities help identify and prioritise material sustainability topics that may impact the Group's ability to create long-term value.

SUSTAINABILITY STATEMENT

STAKEHOLDERS	KEY TOPICS	OUR APPROACH
Investors and Shareholders	- Financial performance and long-term value creation - Regulatory compliance and sustainability reporting - Risk management and governance standards	- Transparent disclosure of financial and sustainability performance - Regular updates on business progress and strategic direction - Continuous strengthening of governance and internal controls
Customers	- Product quality and reliability - Competitive pricing - Timely delivery and fulfilment	- Implementation of quality management systems - Ongoing engagement to address feedback and improve service standards - Continuous improvement programmes to minimise recurring issues
Suppliers and Contractors	- Fair and timely payment - Ethical procurement practices - Cost efficiency and product standards - Stable supply chain relationships	- Transparent tender and procurement processes - Supplier engagement and performance evaluation - Compliance with safety, quality and ethical standards - Resolution of grievances through structured communication
Employees	- Performance evaluation and career development - Workplace health and safety - Job satisfaction and fair labour practices	- Annual performance appraisals and target setting - Health, Safety and Environmental (“HSE”) initiatives - Job-related training and skills enhancement - Internal communication and engagement initiatives
Government and Regulators	- Compliance with applicable laws and regulations - Adoption of industry standards - Contribution to national development priorities	- Adherence to statutory requirements and latest regulatory updates - Support for relevant industry initiatives - Cooperation during inspections and audits
Communities	- Community development and social contribution - Responsible corporate conduct	- Support for selected welfare and community initiatives - Employee participation in social activities - Contribution to local economic activity through employment

Memberships of Association

Beyond direct stakeholder interactions, the Group also engages with relevant industry bodies and professional associations. These memberships enable KSSC to stay informed of sector developments, regulatory updates and industry best practices, while contributing to broader industry dialogue. The associations that KSSC is affiliated with include:

- Malaysian Steel and Metal Distributors’ Association (“MSMDA”)
- Federation of Malaysian Manufacturing (“FMM”)
- Associated Chinese Chambers of Commerce and Industry of Malaysia (“ACCCIM”)
- Malaysian Iron and Steel Industry Federation (“MISIF”)
- Pejabat Lembaga Pembangunan Industri Pembinaan Malaysia (“CIDB”)
- Malaysia Façade Industry Association (“PIFM”)

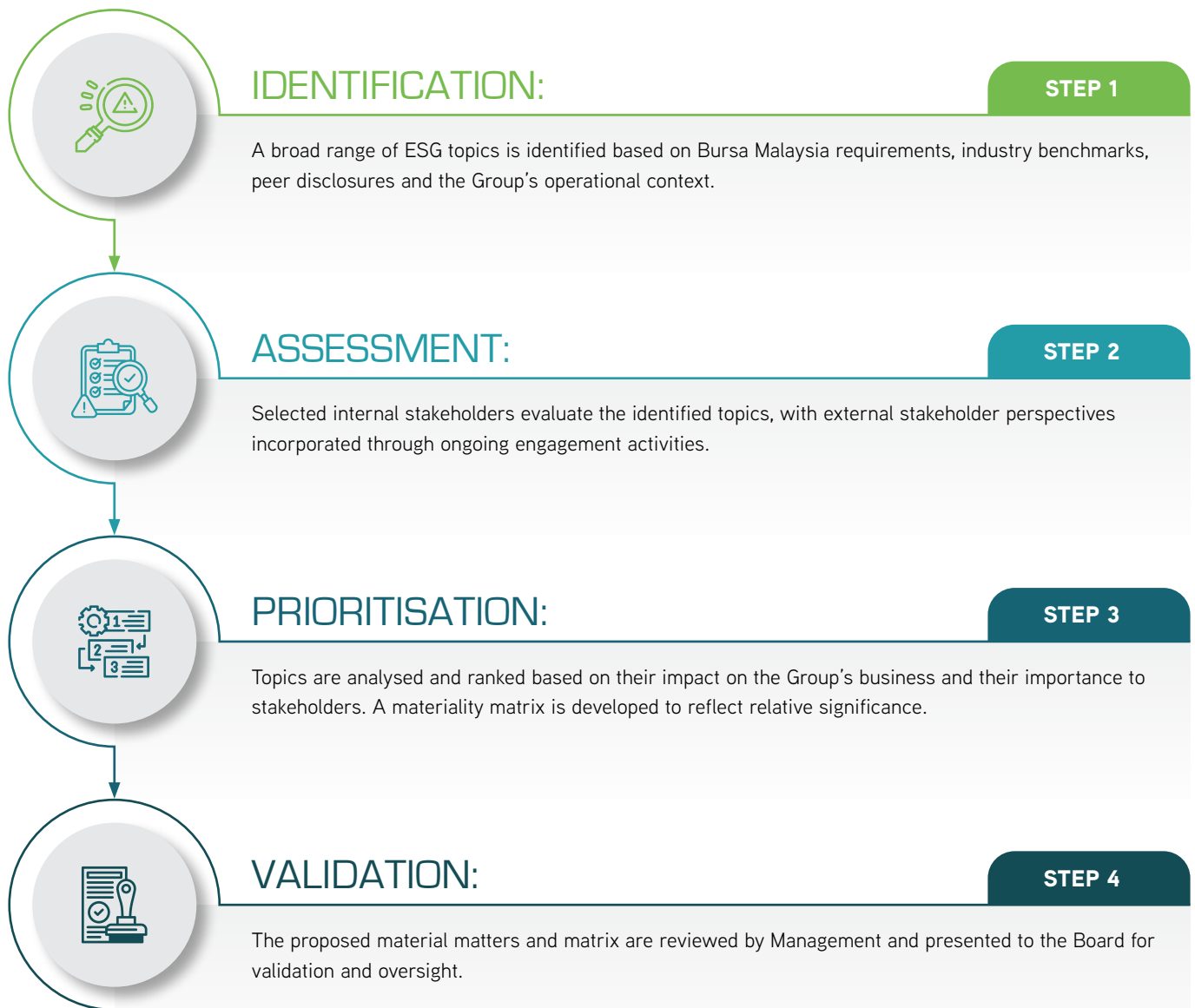
SUSTAINABILITY STATEMENT

MATERIALITY ASSESSMENT

The identification and evaluation of material sustainability matters form a central component of KSSC's sustainability governance framework. Material matters are those that could substantively influence the Group's performance, strategic direction and stakeholder assessments. As such, the materiality review process is designed to ensure alignment between sustainability priorities, operational realities and long-term value creation.

KSSC undertakes a periodic materiality review in accordance with Bursa Malaysia's reporting guidance and the Group's internal strategic planning cycle. This review ensures that material topics remain relevant in light of evolving regulatory developments, industry conditions and stakeholder expectations.

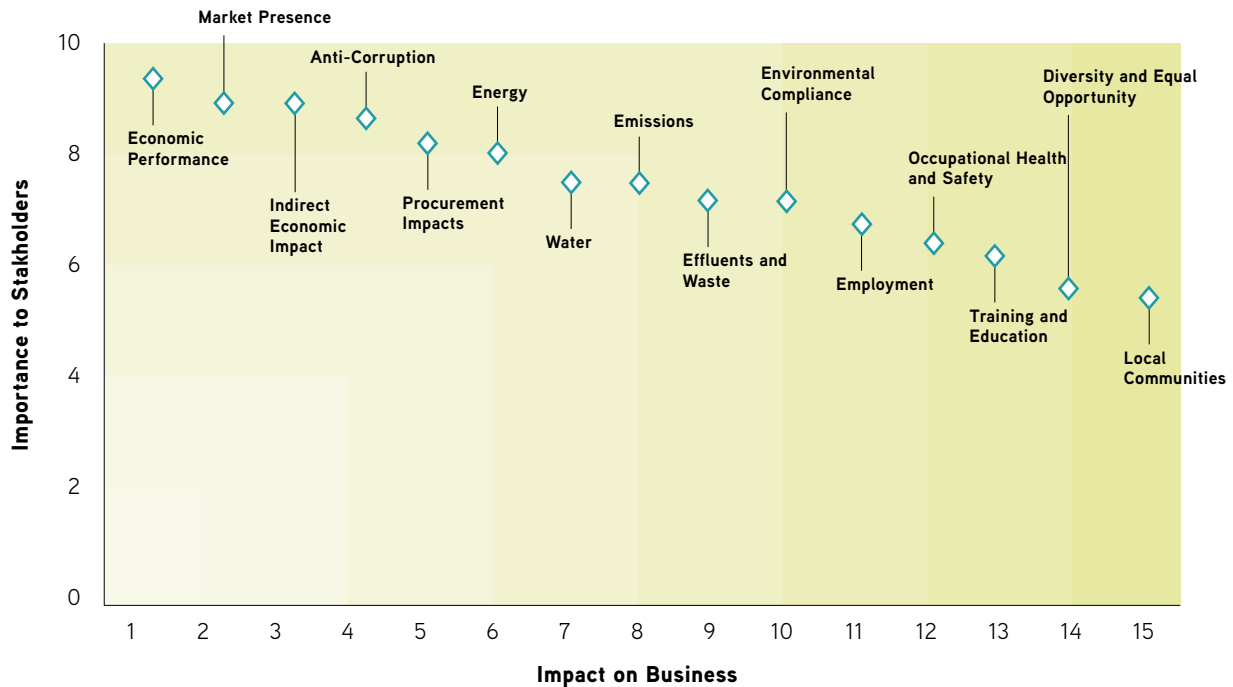
The evaluation of material matters is conducted through a structured, multi-stage approach:



The identified material topics guide the scope, focus and depth of disclosures in this Sustainability Statement and inform ongoing monitoring and performance improvement initiatives. Through this structured approach, KSSC seeks to maintain relevance, transparency and consistency in its sustainability reporting while supporting long-term value creation.

SUSTAINABILITY STATEMENT

MATERIALITY MATRIX

**Economic Performance**

- Economic Performance
- Market Presence
- Indirect Economic Impact
- Procurement Impacts

**Environmental Management**

- Energy Consumption
- Water Consumption
- Effluents and Waste
- Emissions
- Environmental Compliance

**Social Impact**

- Occupational Health and Safety
- Training and Development
- Diversity and Equal Opportunity
- Local Communities

**Responsible Governance**

- Anti-Corruption

SUSTAINABILITY STATEMENT



ECONOMIC PERFORMANCE

ECONOMIC IMPACTS

As KSSC pursues its mission to be a leading regional strategic metals distribution hub, with integrated capabilities across manufacturing, trading, fabrication and engineering works, economic performance remains central to how the Group creates and sustains value over time. Financial resilience and commercial viability underpin KSSC's ability to operate responsibly, support stakeholders and contribute meaningfully to the broader economy.

Operating across two core business segments, the Group leverages synergies between the manufacturing and processing of secondary stainless steel products and its trading operations to serve a broad customer base. These include manufacturers, stainless steel fabricators, shipbuilders, architects and building contractors, as well as industrial hardware wholesalers and retailers, many of whom are key participants within their respective industrial value chains.

KSSC plays an important role within the broader supply chain of its end-user industries, supported by a diversified customer base and an extensive product portfolio. The Group remains competitive through the provision of products applied across a wide range of industrial uses, complemented by efficient turnaround times and investments in new aluminium extrusion machines to develop its capabilities within this segment. This operational capability enables KSSC to respond effectively to evolving customer requirements and market conditions.

Against this backdrop, the Group's economic contributions are reflected through both the direct value generated from its operations and the indirect value distributed to stakeholders.

Direct Economic Values Created

During FYE2025, KSSC continued to strengthen its business performance, as reflected in its profitability and revenue growth. While financial performance remains a core priority, the Group recognises that sustainable growth should progress in tandem with the gradual integration of sustainability considerations into its operations. Prudent financial management therefore serves as a key enabler for KSSC to initiate, adopt and progressively enhance its sustainability practices and action plans. As such, KSSC continues to benchmark its environmental performance across key parameters, such as emissions, energy, and water, against its annual revenue, enabling comparability between business growth and environmental footprint. Relevant intensity ratios are disclosed in the respective sub-sections under 'Environmental Management'.

In line with the above, the Group generated total revenue of RM234.8 million in FYE2025. Through its operations, KSSC continues to deliver both tangible and intangible economic value, contributing to value creation across its value chain.

Economic Value	RM'000		
	FYE2023	FYE2024	FYE2025
Revenue from the sales of goods and services	183,203	298,191	234,836
Revenue from financial investments	127	140	149
Other operating income	3,116	11,198	5,268

Indirect Economic Values Distributed

Through responsible and integrated operations, KSSC contributes to the creation of indirect economic value across its supply chain. These spillover benefits include enhanced business continuity for customers, improved operational efficiency among downstream users and sustained commercial activity across related industries.

SUSTAINABILITY STATEMENT

In addition, the Group's financial performance facilitates the distribution of economic value to key stakeholders. This includes dividends to shareholders, tax contributions that support public services, social development and infrastructure, as well as repayments to financing institutions. Beyond direct financial flows, KSSC also contributes to the development and support of community infrastructure and services through both monetary and non-monetary means.

Economic Value	RM'000		
	FYE2023	FYE2024	FYE2025
Economic value distributed	(157,565)	(253,808)	(193,439)
Economic value retained	25,637	44,383	41,397
Operating expenses	(33,887)	(36,628)	(33,231)
Wages and other payments to employees	(17,059)	(25,583)	(21,190)
Payment to financial institutions	(4,982)	(1,804)	(2,573)
Payment to creditors	(51,631)	(52,193)	(80,112)
Payment to the Government including income tax expenses	(2,253)	(2,202)	(2,348)
Payment to community investment	(10)	(12)	(10)

PRODUCT QUALITY AND SAFETY

Product quality and safety remain essential to KSSC's ability to sustain competitiveness, meet customer expectations and maintain long-term business relationships. The Group recognises that consistent product quality underpins customer confidence, operational reliability and repeat business across its core markets.

KSSC's business profile was strengthened during FYE2024 through the acquisition of 40% equity interest in Metalmach Micro Technology Sdn. Bhd ("MMT"), which is principally involved in the manufacturing of high-precision tools and dies, moulds and mould parts, precision jigs, fixtures and mechanical components. On 5th January 2026, KSSC further acquired 11%, bringing its total equity interest in MMT to 51% with MMT and its subsidiaries becoming subsidiaries of KSSC. This acquisition diversified the Group's operational capabilities and enhanced its ability to deliver value-added products that meet technical specifications and quality requirements across a wider range of applications.

KSSC adopts a quality management system aligned with ISO 9001:2015, providing a structured framework to ensure consistency in operational processes, product conformity and continuous improvement. The adoption of this standard supports systematic quality controls across operations and reinforces accountability in delivering products that meet defined specifications and customer requirements.

Customer satisfaction is treated as a key outcome of effective quality management. KSSC places emphasis on building long-term relationships with its customers, recognising that satisfied customers are more likely to continue engaging with the Group and contribute to stable, recurring revenue streams. Customer feedback is primarily obtained through direct engagement by sales personnel and is communicated internally to relevant functions to support continuous improvement in products and services.

Oversight of product quality and customer satisfaction rests with the Executive Director, supported by the sales function. While KSSC does not maintain a dedicated customer relationship management department, clear responsibilities are assigned to ensure customer enquiries are addressed promptly and relationships are actively managed. This approach supports customer retention, service responsiveness and alignment with evolving customer needs.

“
DURING THE REPORTING PERIOD, KSSC RECORDED NO INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS OR VOLUNTARY CODES CONCERNING THE HEALTH AND SAFETY IMPACTS OF ITS PRODUCTS AND SERVICES. IN ADDITION, NO PRODUCT RECALLS WERE ISSUED, AND NO UNITS WERE RECALLED FOR HEALTH AND SAFETY REASONS.

”

SUSTAINABILITY STATEMENT

PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

KSSC recognises that effective procurement and supply chain management play an important role in supporting operational continuity, cost efficiency and responsible business practices. The Group's procurement approach is designed to ensure reliable access to materials and services while maintaining appropriate controls over supplier quality, integrity and performance.

Local procurement, defined as sourcing from suppliers within Malaysia, remains an important consideration within KSSC's procurement practices. Sourcing locally can contribute to reduced transportation distances and lower associated greenhouse gas emissions, while also supporting domestic businesses and economic activity. Where feasible, KSSC prioritises local suppliers without compromising on quality, cost competitiveness or operational requirements.

Approval authority for procurement decisions rests with senior management, including the Executive Director or Chief Financial Officer, depending on the value and nature of the procurement. Day-to-day procurement activities and coordination are managed by the Group's Procurement Department.

In FYE2025, the Group significantly expanded its supplier base as part of efforts to identify alternative suppliers, enhance geographic diversification and strengthen supply chain resilience, with local suppliers accounting for 95.0% of total suppliers. Total procurement expenditure amounted to RM150.5 million, of which 61.5% was directed towards local suppliers. The increase in local procurement spending reflects the Group's commitment to strengthening supply chain resilience, reducing lead times and improving cost efficiency through greater reliance on locally sourced materials.

While maintaining operational flexibility, the Group aims to gradually reduce reliance on foreign procurement where practicable and appropriate. By embedding relevant best practices into its procurement processes, KSSC seeks to remain responsive and adaptive within a dynamic operating environment.

Procurement details	RM'000		
	FYE2023	FYE2024	FYE2025
Total Procurement (RM '000)	96,115	158,368	150,458
Total Local Procurement (RM '000)	33,963	58,034	92,463
Total Foreign Procurement (RM '000)	62,152	100,334	57,995
Proportion of Spending on Local Suppliers (%)	35.3%	36.6%	61.5%
Total number of Suppliers	340	356	895
Total number of Local Suppliers	293	322	850
Total number of Foreign Suppliers	47	34	45
Proportion of Local Suppliers (%)	86.2%	90.4%	95.0%

SUSTAINABILITY STATEMENT



ENVIRONMENTAL MANAGEMENT

CLIMATE CHANGE AND ENERGY

KSSC operates within an energy-intensive sector, where electricity consumption, fuel use for logistics and material handling, and upstream raw material-related activities contribute to greenhouse gas emissions across the value chain. As such, climate change and energy use represent relevant environmental considerations within the Group’s operations.

The Group adopts a measured approach to climate- and energy-related management that is proportionate to its operational scale and data availability. Emissions performance is monitored primarily through intensity metrics linked to business activity, enabling KSSC to assess environmental performance in tandem with revenue growth and operational changes.

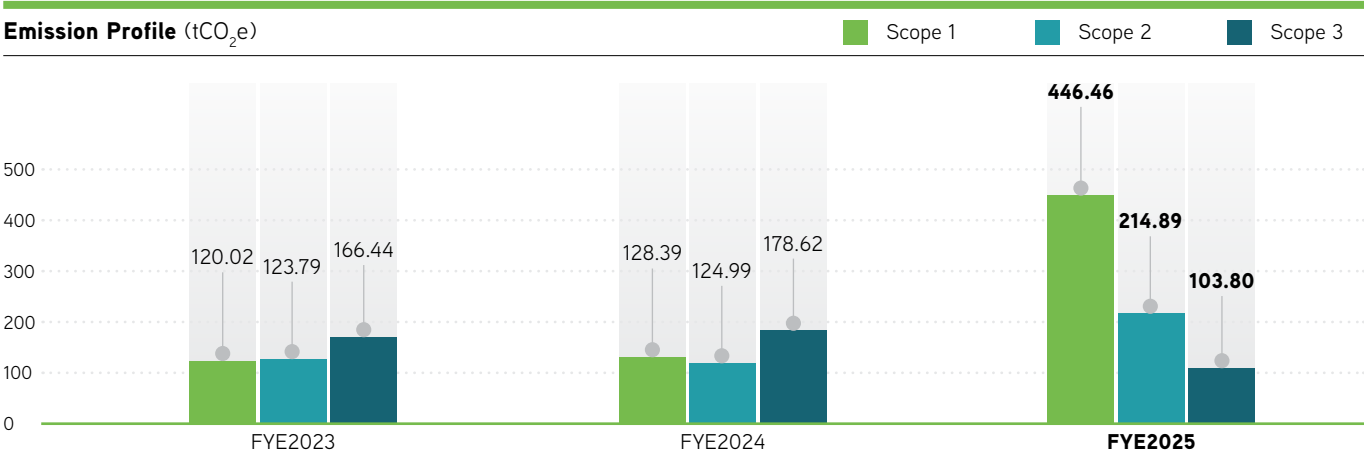
Looking ahead, KSSC remains attentive to increasing regulatory, industry and stakeholder focus on climate change and energy efficiency. The Group will continue to review its energy consumption and emissions profile over time and progressively enhance its management practices as operational priorities and data quality evolve.

Emission Management

KSSC’s emission sources primarily arise from its Scope 1 and Scope 2 categories. Scope 1 emissions are associated with fuel consumption from company-owned vehicles, notably diesel used for forklifts and lorries in logistics operations. Scope 2 emissions relate to purchased electricity consumed across the Group’s operations. Scope 3 emissions are currently limited to selected categories, primarily business travel.

In FYE2025, KSSC enhanced the granularity of its energy and emissions reporting by refining the classification of fuel consumption. Petrol usage for work-related travel, which was previously reported on an aggregated basis, is now disaggregated to distinguish between company-operated vehicles and employee business travel. This enables clearer delineation between Scope 1 and Scope 3 emissions and contributes to improved accuracy and transparency in the Group’s disclosures. The Group continues to adopt a pragmatic and phased approach towards the identification and assessment of indirect emissions, taking into account data availability and operational relevance.

The Group’s GHG emissions inventory is prepared in accordance with the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard, applying an operational control approach. For the reporting period, the inventory covers entities within the Group’s defined reporting boundary.

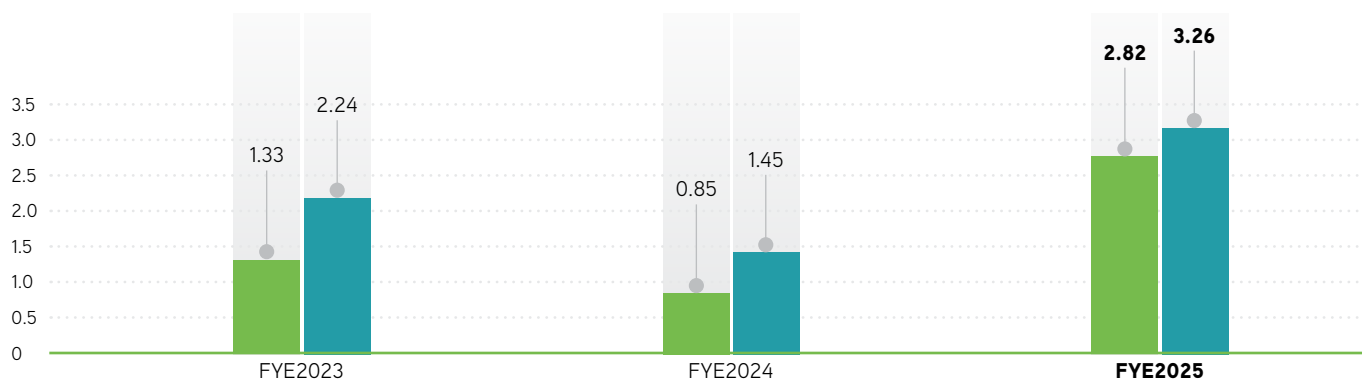


Note:
1. The conversion factor used in Scope 1 emission is based on Malaysia Energy Statistic 2020, and the emission factor is based on the IPCC database. The emission factor used in Scope 2 emission is based on UNFCCC Harmonised Grid Factors 2021.

SUSTAINABILITY STATEMENT

Operational and Total Emission Intensity (tCO₂e / RM mil)

■ Operational Emission Intensity

■ Total Emission Intensity


Note:

1. Operational emissions intensity refers to Scope 1 and Scope 2 emissions per RM million of revenue, while total emissions intensity refers to Scope 1, Scope 2 and Scope 3 emissions per RM million of revenue. Comparative figures for the previous year have been restated using revenue from the sale of goods and services as the denominator, to provide a more consistent representation of the Group's operational efficiency.

During FYE2025, KSSC recorded total operational emissions of 661.35 tCO₂e. The year-on-year increase in absolute emissions was primarily attributable to the inclusion of SA within the Group's reporting boundary, as well as enhanced granularity in the classification of petrol consumption. On an intensity basis, total operational emissions amounted to 2.82 tCO₂e per RM million of revenue from the sale of goods and services, reflecting the Group's approach of monitoring emissions performance relative to business activity.

Against this backdrop, the Group's emissions performance is benchmarked against the baseline year of FYE2023 for operational emissions and FYE2021 for operational emissions intensity, in line with its five-year targets.

Area of Assessment	5-year Targets (FYE 2021-2025)	Baseline	Current Year (FYE2025)
Scope 1 and Scope 2	2% reduction per annum	FYE2024: 253.38 tCO ₂ e	661.35 tCO₂e
Carbon Dioxide reduction	Maintain CO ₂ e emission intensity below 2.5 tonnes per million revenues (tCO ₂ e/ RM'Mil)	FYE2021: 2.2 tCO ₂ e/RM' mil	2.82 tCO₂e/RM'Mil

While absolute and intensity emissions may fluctuate due to changes in operational scope and activity levels, the increase observed in FYE2025 was primarily driven by the inclusion of additional entities within the reporting boundary and enhancements to GHG accounting methodology. KSSC will continue to monitor emissions intensity trends and progressively refine its data quality and management approach, with a view to strengthening alignment with its five-year targets over time.

Energy Management

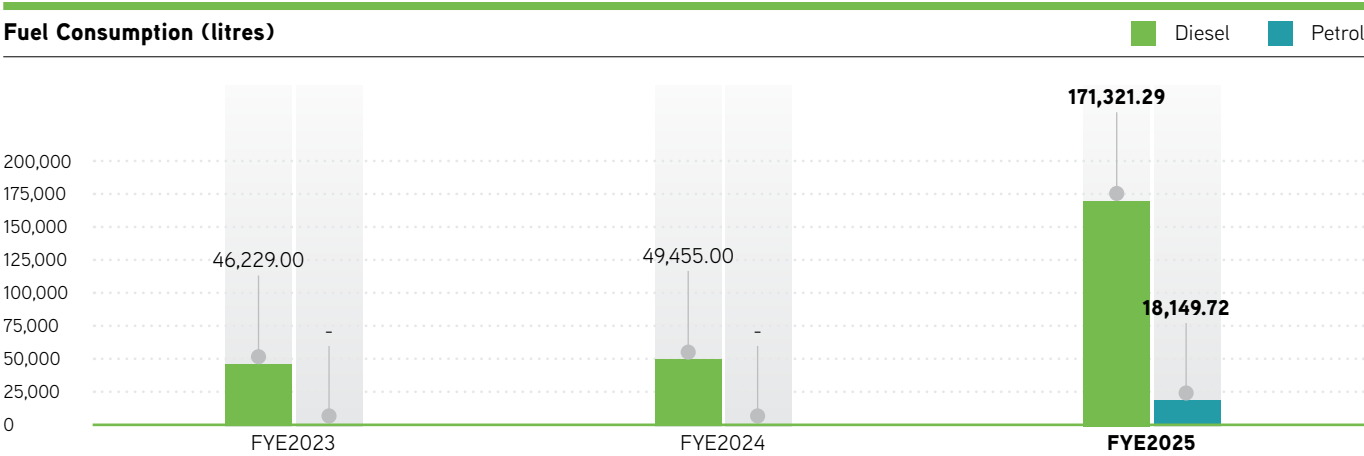
Energy remains a core input supporting KSSC's manufacturing, processing and logistics activities across its operations. Effective energy management is therefore important not only from a cost and operational efficiency perspective, but also as part of the Group's broader environmental responsibilities. KSSC adopts a practical and measured approach to managing energy consumption, focusing on understanding energy use patterns across operations and identifying opportunities to improve efficiency where feasible.

In FY2025, the Group recorded a notable increase in overall energy consumption, primarily attributable to the inclusion of SA following its expansion into the engineering segment, which introduced additional energy-intensive activities and expanded the operational scope of the Group. These considerations form part of the Group's ongoing efforts to balance operational requirements with environmental performance.

SUSTAINABILITY STATEMENT

Direct Energy Consumption

Direct energy consumption within KSSC primarily relates to the use of diesel and petrol to support operational activities. These energy sources power machinery and equipment, including forklifts used for material handling within industrial sites, and are consumed by the Group’s vehicle fleet for product transportation between warehouses and distribution points.

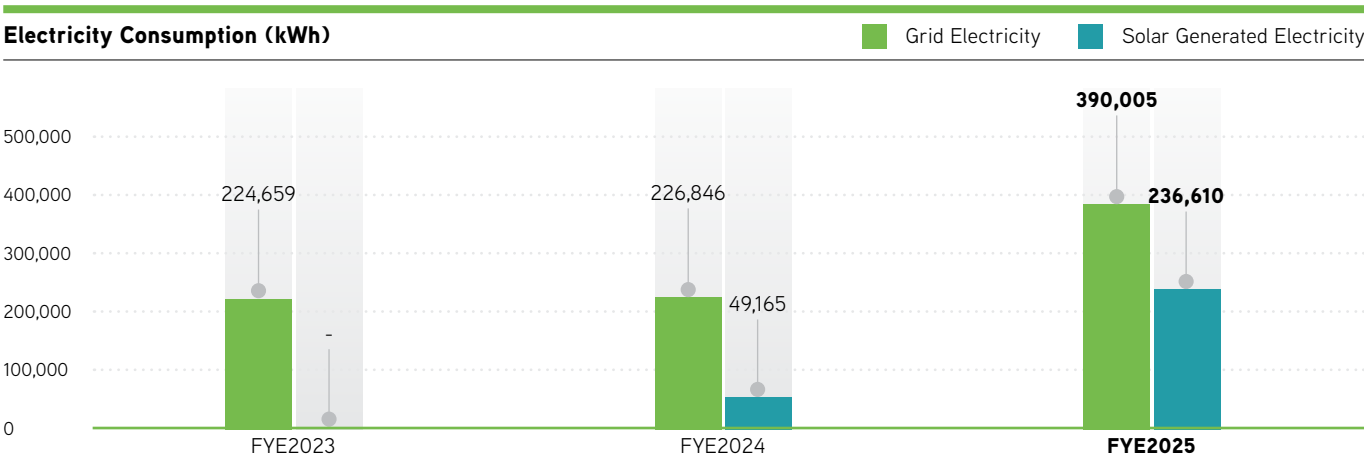


Note:
1. Operational emissions intensity refers to Scope 1 and Scope 2 emissions per RM million of revenue, while total emissions intensity refers to Scope 1, Scope 2 and Scope 3 emissions per RM million of revenue. Comparative figures for the previous year have been restated using revenue from the sale of goods and services as the denominator, to provide a more consistent representation of the Group’s operational efficiency.

Indirect Energy Consumption

At KSSC, indirect energy consumption mainly refers to the electricity required to maintain infrastructure, including buildings and machinery integral to the production process. This electricity supports key operations such as lighting, heating, and powering equipment used in the manufacture of stainless-steel products.

During the reporting period, KSSC continued to benefit from the 285 kWp solar photovoltaic (“PV”) system installed at one of its operational sites. The system generated 325,000 kWh of electricity, of which 236,610 kWh was utilised for on-site operations, while 88,390 kWh was exported to the national grid as green electricity. This renewable energy initiative contributed to the avoidance of approximately 130.37 tCO₂e of carbon emissions during the year.



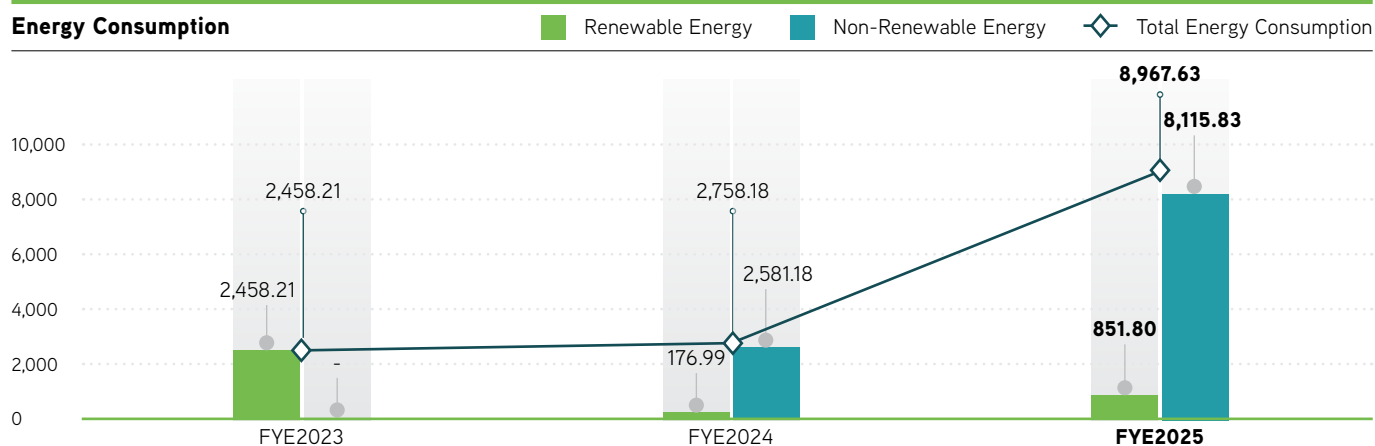
SUSTAINABILITY STATEMENT

Total Energy Consumption

KSSC remains committed to managing energy consumption responsibly and exploring opportunities to improve energy efficiency across its operations. As part of these efforts, the Group continues to evaluate initiatives that support more sustainable energy use while remaining aligned with operational and business requirements.

During the reporting period, the Group's total energy consumption amounted to 8,967.63 GJ, of which 9.50% was derived from renewable energy sources. The increase in total energy consumption reflects higher reported fuel consumption following the disaggregation of petrol usage previously reported in aggregation, as well as the expanded reporting scope and boundary, which now includes SA.

Energy Consumption



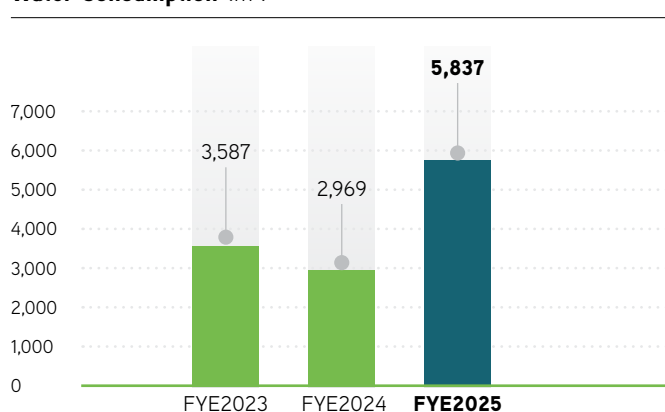
WATER MANAGEMENT

KSSC recognises that water is an essential operational resource, with usage largely supporting general facility needs. While the Group's activities are not water-intensive and its operations are not located within water-stressed regions, KSSC prioritises responsible water stewardship to support operational continuity, regulatory compliance and efficient resource use.

KSSC adopts a practical approach to water management, with a focus on improving water efficiency and minimising unnecessary consumption across its operations. Water used in operations is primarily sourced from the municipal supply and, where feasible, supplemented through the use of rainwater for non-consumptive applications such as landscaping, nursery activities and factory cleaning. While rainwater utilisation is currently not separately tracked, these measures contribute to reducing reliance on treated water for non-essential uses.

During FYE2025, the Group recorded a total water consumption at 5,837 m³, reflecting a significant increase compared to the previous year. This was primarily attributable to ongoing renovation works for the new office, which required additional water usage for construction-related activities and site operations. KSSC will continue to monitor water consumption patterns and explore opportunities to enhance water efficiency in line with operational needs.

Water Consumption (m³)

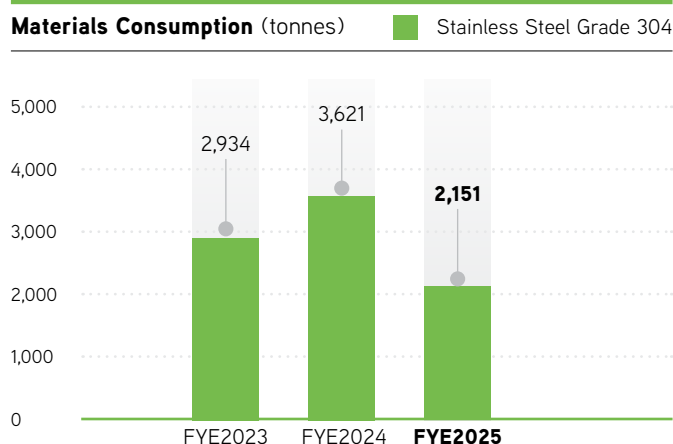


SUSTAINABILITY STATEMENT

RESOURCES MANAGEMENT

Effective resource management supports KSSC's ability to maintain product quality, operational efficiency and cost discipline across its manufacturing activities. The Group focuses on managing material inputs responsibly, taking into account operational requirements and material performance.

Within KSSC's manufacturing division, core operational activities involve the manufacturing and processing of secondary stainless steel products. The primary material input utilised in these operations is stainless steel grade 304, which is widely used due to its durability, corrosion resistance and suitability for a broad range of industrial applications.



WASTE MANAGEMENT

Effective waste management supports the conservation of natural resources by reducing reliance on virgin raw materials and minimising disposal volumes. For KSSC, this also contributes to operational efficiency through lower waste handling and disposal costs, while ensuring compliance with applicable environmental requirements.

Waste generated within the Group typically arises from manufacturing and processing activities, including by-products from raw material handling and limited quantities of chemical-related waste. KSSC adopts a structured approach to waste management, guided by the principles of Reduce, Reuse and Recycle, with an emphasis on minimising waste generation and managing waste streams responsibly.

Non-hazardous waste, such as interleaved paper and wooden pallets generated from mother coils, is reused within operations where feasible or disposed of through authorised waste collectors in accordance with regulatory requirements. Scheduled wastes, where generated, are handled and disposed of by licensed third-party contractors in compliance with applicable environmental regulations. These include waste categories such as used lubricating oil (SW305), used hydraulic oil (SW306), contaminated containers and materials (SW409), and contaminated gloves, rags and plastics (SW410).

In FYE2025, the Group reports on the generation and management of aluminium scrap extrusion arising from its operations. As the scrap is not reused internally, it is collected via roll-on roll-off (RORO) bins and sold to third-party recyclers for further processing. This approach supports responsible waste management by ensuring that aluminium waste is diverted from disposal and channelled into recycling streams.

The collection and consolidation of waste-related data from PTM Steel Industry was still being developed during the reporting period. Waste data reported for FYE2025 therefore relates primarily to general waste generated by SA Aluminium and Glass, which amounted to 462.37 tonnes during the year.

KSSC will continue to monitor waste generation and disposal practices and will progressively enhance waste tracking and management as production activities resume and data availability improves.

	FYE2024	FYE2025
Total Waste Generated (tonnes)	11.57	462.37
Waste Diverted from Disposal (tonnes)	10.70	0.37
Waste Directed to Disposal (tonnes)	0.87	462.00

ENVIRONMENTAL MONITORING AND COMPLIANCE

Air Emissions

KSSC complies with all applicable air emission regulations in Malaysia. Air emissions generated from the Group's operations are monitored and managed to ensure they remain within the permissible limits prescribed by regulatory authorities.

During FYE2025, air emission monitoring data for PTM Steel Industry was not available, as the compilation and tracking of such information were not fully established during the reporting period. While on-site manufacturing activities continued, no formal dust emission measurements were recorded. Notwithstanding this, KSSC remains committed to maintaining compliance with applicable environmental regulations and will continue to strengthen its air emission monitoring and data management practices moving forward.

SUSTAINABILITY STATEMENT



SOCIAL IMPACT

GENDER DIVERSITY, EQUITY AND INCLUSION

KSSC recognises that a diverse and inclusive workforce supports operational effectiveness, balanced decision-making and long-term business sustainability. Employment practices within the Group are guided by merit-based principles, where recruitment, promotion, training and performance evaluation are conducted without discrimination. The Group does not tolerate bias based on gender, race, age, religion, sexual orientation, or other non-work-related factors, and strives to ensure that all employees are provided with equitable access to opportunities for growth and development.

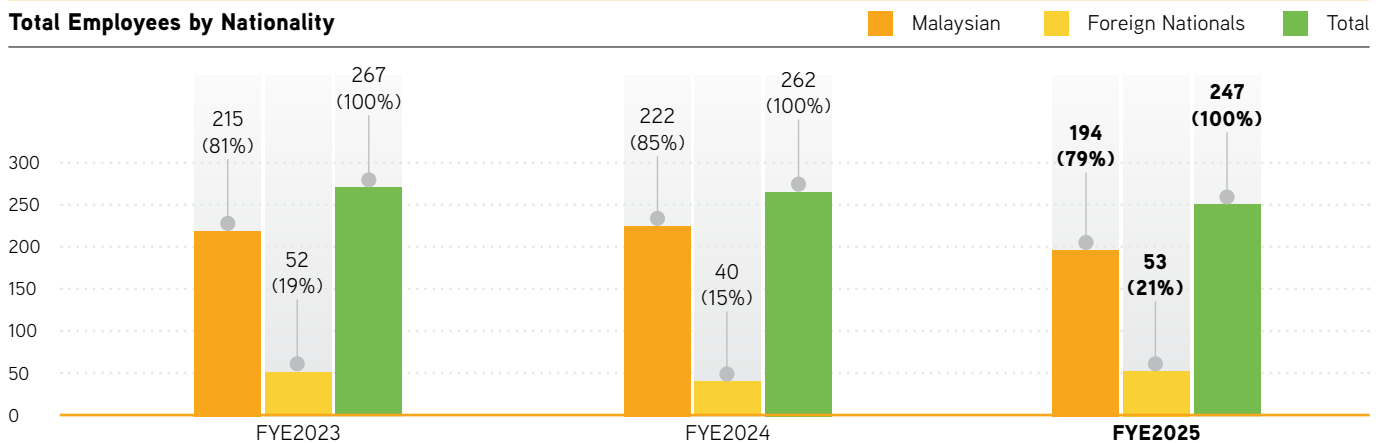
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DURING THE REPORTING YEAR, WOMEN REPRESENTED 25% OF THE GROUP'S TOTAL WORKFORCE, WITH 21% OF MANAGERIAL POSITIONS HELD BY FEMALE EMPLOYEES. THESE FIGURES REFLECT THE GROUP'S ONGOING EFFORTS TO PROMOTE BALANCED REPRESENTATION ACROSS DIFFERENT LEVELS OF THE ORGANISATION WHILE MAINTAINING OPERATIONAL AND COMPETENCY REQUIREMENTS.

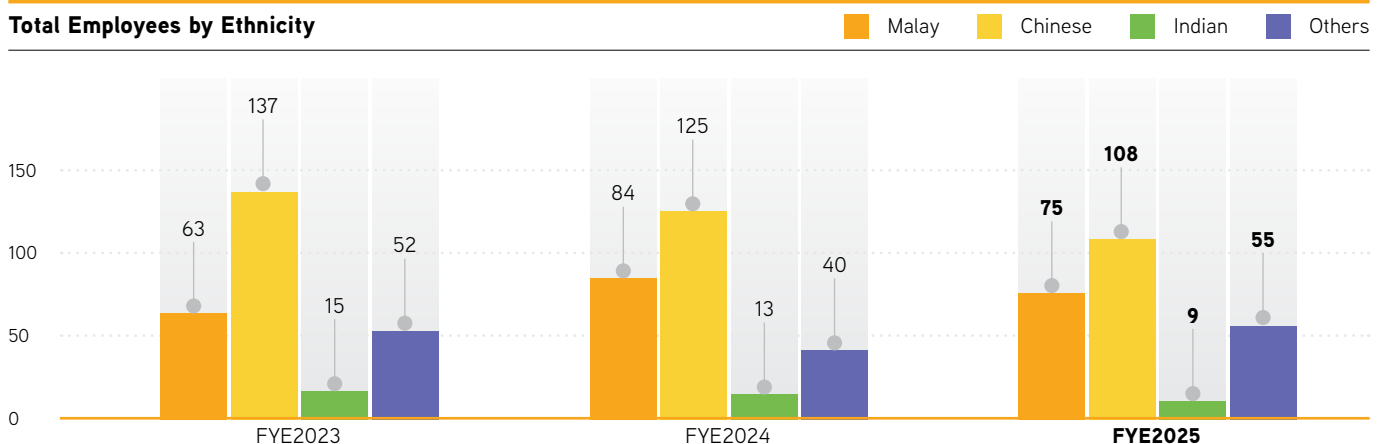
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KSSC remains committed to cultivating a safe, respectful and inclusive working environment that supports employee engagement, stability, and performance.

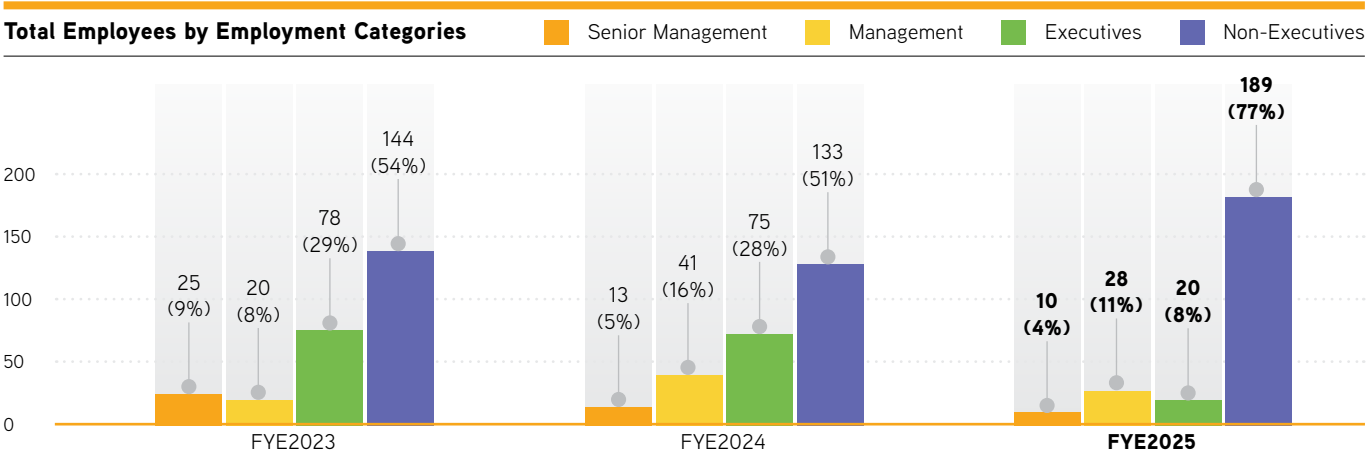
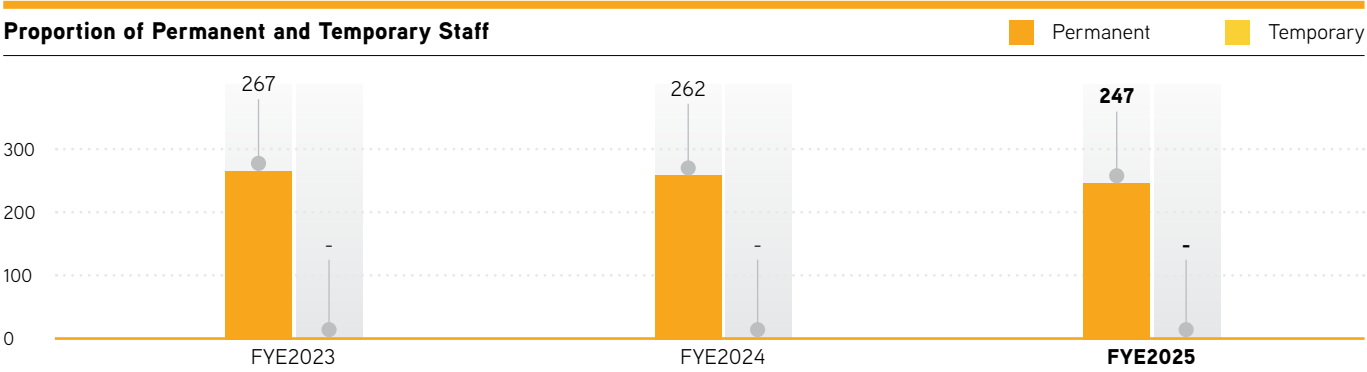
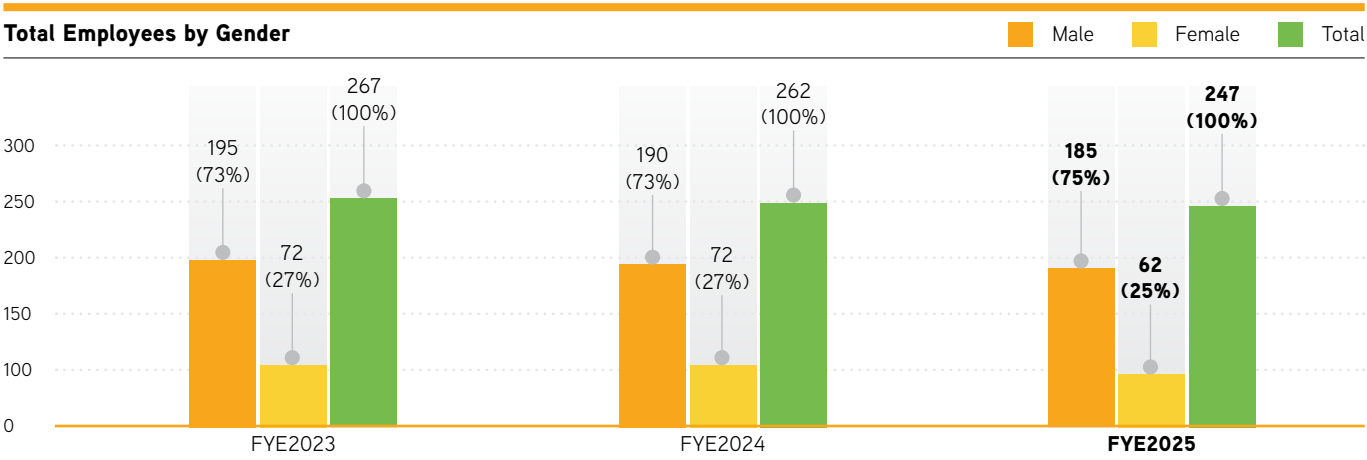
Total Employees by Nationality



Total Employees by Ethnicity



SUSTAINABILITY STATEMENT



Total Employees by Gender and Employment Categories

Position	FYE2023				FYE2024				FYE2025			
	Female		Male		Female		Male		Female		Male	
	Pax	%	Pax	%	Pax	%	Pax	%	Pax	%	Pax	%
Managers	9	20	36	80	15	28	39	72	8	21	30	79
Executives	37	34	41	66	33	44	42	56	10	50	10	50
Non-Executives	26	18	118	82	26	20	107	80	33	18	156	82

SUSTAINABILITY STATEMENT

Total Employees by Employment Categories and Age

Position	FYE2023		FYE2024		FYE2025	
	Pax	%	Pax	%	Pax	%
Managerial Staff						
30 years and below	0	0	1	2	3	8
31 – 50 years	28	62	30	55	31	82
51 – 65 years	16	36	23	43	4	10
65 years and above	1	2	0	0	0	0
Total Managers	45	100	54	100	38	100
Executive Staff						
	Pax	%	Pax	%	Pax	%
30 years and below	17	22	19	25	4	20
31 – 50 years	47	60	37	50	11	55
51 – 65 years	13	17	19	25	5	25
65 years and above	1	1	0	0	0	0
Total Executives	78	100	75	100	20	100
Non-Executive Staff						
	Pax	%	Pax	%	Pax	%
30 years and below	56	39	55	41	60	32
31 – 50 years	78	54	67	50	112	59
51 – 65 years	10	7	9	7	15	8
65 years and above	0	0	2	2	2	1
Total Non-Executives	144	100	133	100	189	100

EMPLOYEE DEVELOPMENT

Training and Development

Continuous learning remains an important component of KSSC's workforce management approach. The Group recognises that strengthening employee capabilities enhances operational efficiency, product quality and overall business performance. Investment in training also supports knowledge retention and succession continuity within the organisation.

Training needs are identified through periodic performance evaluations and operational requirements. Department heads, in collaboration with the Human Resources function, assess competency gaps and determine appropriate development programmes aligned with employees' roles and responsibilities. This structured approach ensures that training initiatives remain relevant to both individual growth and organisational needs.

Learning opportunities are provided across various employee categories and may include technical skills enhancement, regulatory compliance updates, operational safety training and leadership development programmes. Where specialised expertise is required, external trainers or industry practitioners may be engaged to supplement internal knowledge sharing.

SUSTAINABILITY STATEMENT

**Occupational Health & Safety**

- Occupational Safety and Health Coordinator (OSH-C / FMM Vision Zero / Kursus)
- Safety in Handling Forklift Trucks
- Overhead Crane Safe Handling Training
- 1 Day First Aid, CPR & AED Training

**Governance & Compliance**

- Essential Fundamentals of Anti-Bribery and Corruption
- Managing Poor Performance and Disciplinary Issues
- IFRS Sustainability Disclosure Standards: IFRS S1 & S2

**Finance, Taxation & Accounting**

- MFRS 13 Fair Value Measurement
- Investment Management and Corporate Finance Programme
- Re-structuring Corporate Cash Flow & Treasury Management in Challenging Times
- Sales & Service Tax (SST) Update
- TaxPOD Masterclass

**Sustainability & Strategy Outlook**

- Green Technology for Industrial Air Pollution Control Training
- ESG and Taxation
- Macroeconomic Forces in the Financial Market
- IFRS Sustainability Disclosure Standards: IFRS S1 & S2

**Operations & Procurement**

- FMM Supply Chain Webinar – Supplier Management, Sourcing & Contract Negotiations
- Latihan ePerolehan – Procurement, Tender & Contract Management Modules

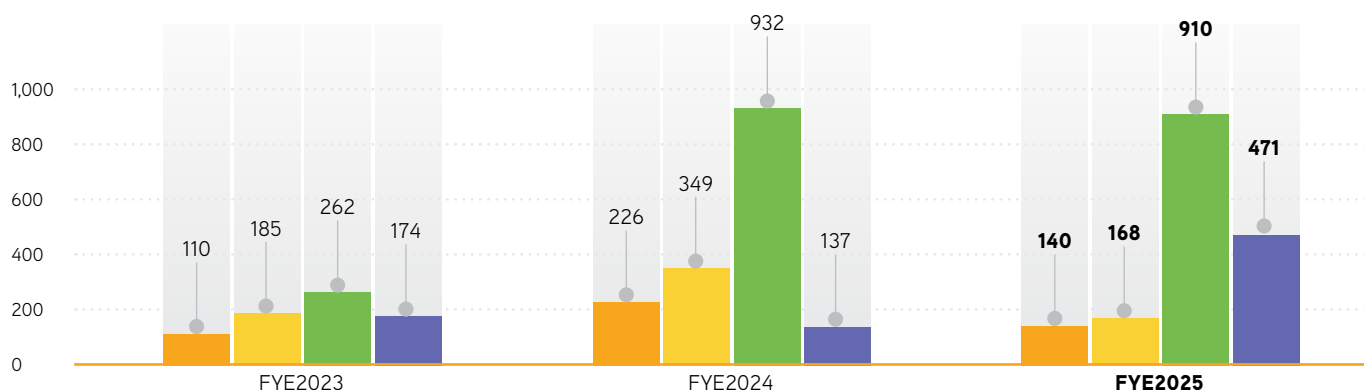
**Employee Development**

- Team Building
- Securing Your Future: The Right Way to Buy Insurance
- Estate Planning Essentials

KSSC remains committed to providing equitable access to training opportunities to support employees in building competencies that contribute to long-term organisational sustainability.

General Training Data	FYE2023	FYE2024	FYE2025
Total Training Hours	731 hours	1,644 hours	1,689 hours
Total Training Spend	RM34,271	RM70,615	RM44,005
Average Training Hours Per Employee	2.7	6.2	6.84
Total Employees Attended Training	131	186	203

Total Training Hours Per Employee Category (Hours) Senior Management Management Executive Non-Executive



SUSTAINABILITY STATEMENT

Hiring and Attrition

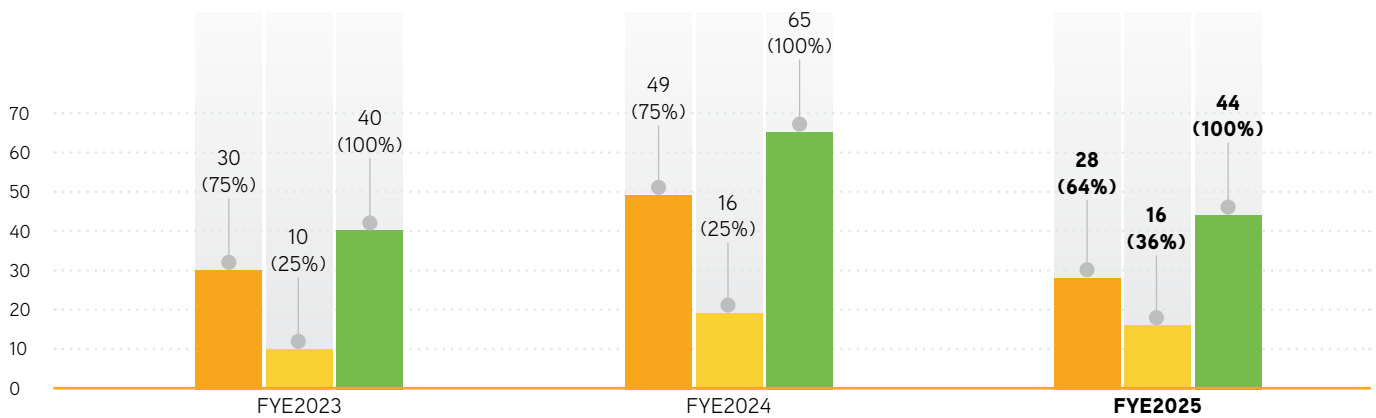
KSSC recognises that a capable and stable workforce underpins operational continuity and long-term sustainability. As the Group continues to strengthen its core manufacturing, trading and engineering segments, workforce planning remains an important component of business execution. The attraction, retention and orderly transition of talent are managed through structured human resource processes designed to support operational requirements and organisational growth.

Recruitment activities are coordinated by the Human Resources function in consultation with respective Heads of Department to ensure alignment with business needs. Candidate selection is conducted through a structured evaluation process that may include interviews, skills assessments and reference checks to determine suitability for the role and organisational fit. The Group also leverages employee referrals where appropriate, recognising the value of professional networks in identifying capable candidates.

Employee turnover and workforce movements are monitored periodically to assess trends and support succession planning. In FYE2025, the Group recorded an employee turnover rate of 36%, reflecting ongoing efforts to maintain workforce stability while accommodating business expansion and restructuring requirements.

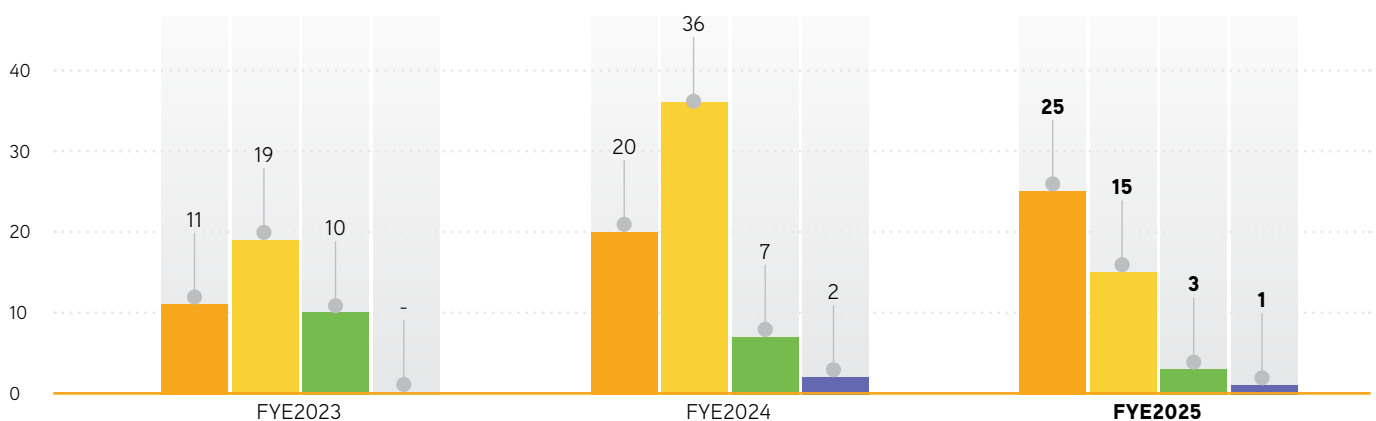
New Hires by Gender

Male Female Total New Hires



New Hires by Age (Pax)

30 years and below 31 – 50 years 51 – 65 years 65 years and above



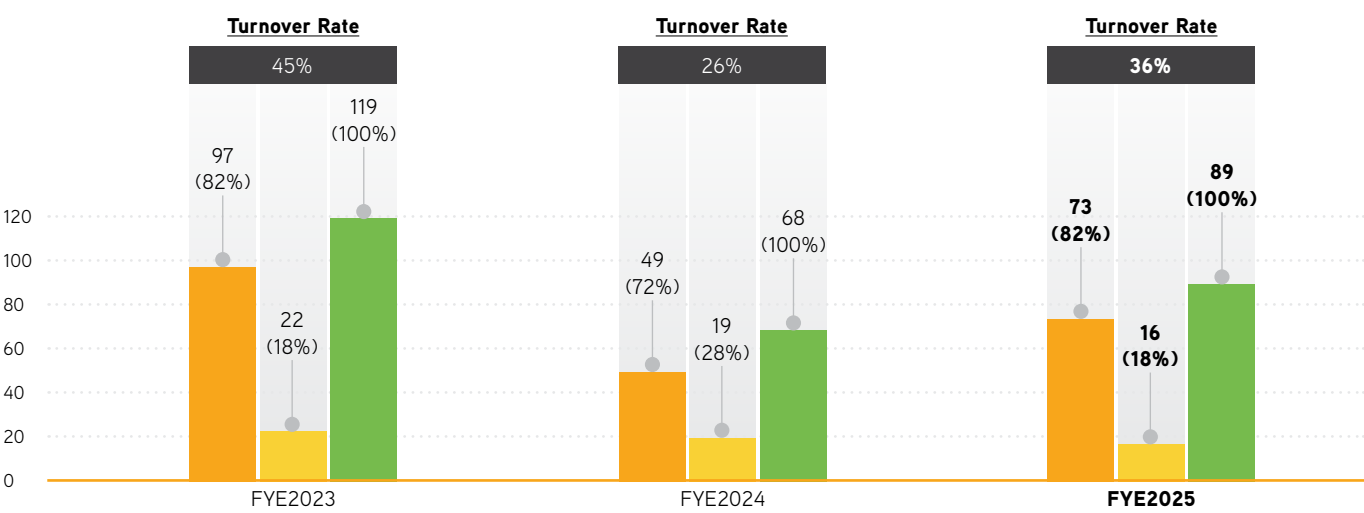
SUSTAINABILITY STATEMENT

Turnover by Gender

Male

Female

Total Turnover



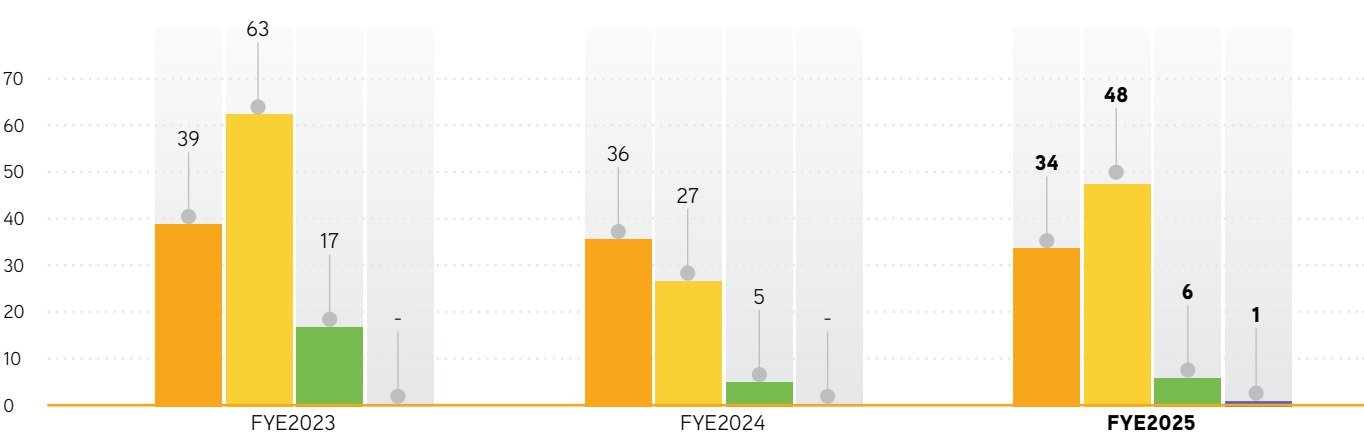
Turnover by Age (Pax)

30 years and below

31 – 50 years

51 – 65 years

65 years and above



Induction and Transition

To facilitate smooth integration, all new employees undergo an induction programme that provides an overview of the Group’s business operations, workplace policies and compliance expectations. This includes familiarisation with corporate governance standards, workplace safety requirements and the Group’s Anti-Bribery and Corruption (“ABC”) Policy. The onboarding process is intended to support role clarity, reinforce organisational values and promote early engagement.

When employees resign, an exit process is conducted to ensure proper knowledge transfer and operational continuity. Departing employees are requested to complete an exit feedback exercise and handover documentation. Feedback gathered is reviewed by the Human Resources function and shared with relevant management personnel, where appropriate, to identify opportunities for improving workplace practices or processes.

Internship and Early Talent Development

KSSC supports internship placements as part of its contribution to industry capability building. Internship opportunities provide students and early-career individuals with exposure to practical work environments within manufacturing and industrial operations. While there were no internship placements during the reporting period, the Group remains open to hosting internship candidates, subject to operational capacity and supervisory resources.

SUSTAINABILITY STATEMENT

EMPLOYEE BENEFITS AND ENGAGEMENT

KSSC recognises that employee well-being and engagement contribute directly to operational stability and sustained performance. The Group seeks to provide a fair and supportive working environment that enables employees to perform effectively while balancing professional and personal responsibilities.

Employee benefits provided by the Group are aligned with statutory requirements and industry practices. These include salary and wage structures benchmarked to market conditions, statutory contributions, annual leave entitlements, medical benefits and other relevant allowances where applicable. The Group periodically reviews its compensation framework to ensure fairness, competitiveness and alignment with business performance.

In addition, the Group provides performance-based incentives, including monetary bonuses and non-financial rewards, to recognise employee contributions and encourage the achievement of individual and organisational KPIs. Employees are also covered under relevant insurance and benefit schemes, where applicable, to support their overall well-being. The Group ensures that its compensation and benefits practices remain compliant with applicable labour laws and are commensurate with employees' roles, responsibilities and performance.

	FYE2023 (RM)	FYE2024 (RM)	FYE2025 (RM)
Employee Benefits			
Total statutory payments made for employees' retirement benefits (EPF)	1,475,606	2,082,934	2,081,132
Total payments made for employees' medical insurance (SOCISO)	177,374	181,417	211,717
Total payments made to employees in terms of salaries, bonuses and benefits	14,526,743	21,969,131	19,598,385

KSSC recognises the importance of family and understands that major life events require time, care and support. In line with applicable labour regulations, the Group provides maternity and paternity leave benefits to eligible employees to enable them to fulfil family responsibilities while maintaining employment continuity. By supporting employees during these important milestones, KSSC aims to foster a caring and balanced workplace that respects both professional commitments and personal well-being.

Maternity / Paternity Benefits	FYE2023	FYE2024	FYE2025
Maternity / Paternity Leave			
Employees Entitled for Maternity and Paternity Leave	9 pax	6 pax	5 pax
Employees taking Maternity Leave	4 pax	3 pax	1 pax
Employees taking Paternity Leave	5 pax	3 pax	4 pax
Return to Work Rates			
Males Returning to Work (after parental leave period)	60%	100%	100%
Females Returning to Work (after parental leave period)	100%	67%	100%

Minimum Notice Period for Changes

The Group provides employees with reasonable notice in the event of significant operational or organisational changes that may affect their roles or working conditions. Where applicable, employees are informed in advance and provided with clear communication on the nature of the changes, including any impact on their job scope, responsibilities or reporting structure. The Group is committed to ensuring transparency throughout such processes and, where appropriate, provides employees with the opportunity to seek clarification and support to facilitate a smooth transition.

SUSTAINABILITY STATEMENT

OCCUPATIONAL SAFETY AND HEALTH (OSH)

Occupational Safety and Health (“OSH”) remains a key priority for KSSC, particularly within its manufacturing operations under PTM Stainless Steel Industry and SA Aluminium and Glass, which represents the Group’s primary higher-risk operational environment. Given the nature of manufacturing activities, maintaining strong safety controls is essential to safeguarding employees and ensuring operational continuity. While other segments are largely trading and project-based, the Group applies consistent safety standards across all its operations.

KSSC’s OSH practices are guided by compliance with the Occupational Safety and Health Act 1994 (“OSHA”), the Environmental Quality Act 1974 and other relevant Malaysian regulations and codes of practice. These requirements form the foundation of the Group’s internal safety procedures, monitoring mechanisms and control measures.

OSH Governance and Oversight

Safety oversight is coordinated by the appointed Group Safety Officer under the supervision of Senior Management. Structured Safety Review Meetings are conducted on a quarterly basis to evaluate workplace safety performance, review incident trends and assess progress against established OSH targets. In FYE2025, one Safety Review Meeting were convened involving cross-functional staff representatives.

Safety performance data is analysed to identify higher-risk operational areas and support preventive planning. Through this monitoring process, operational sections with elevated HSE exposure are subject to closer supervision, targeted control measures and reinforced safety briefings.

OSH Training and Risk Prevention

KSSC adopts a preventive and competency-based approach to managing workplace risks. Safety controls are embedded within daily operations through clearly defined standard operating procedures and work instructions. These include safe handling and storage of tools and materials, preventive maintenance of machinery, lockout-tagout procedures during servicing, accessibility of emergency equipment, and mandatory use of Personal Protective Equipment (“PPE”) appropriate to job functions.

Hazard identification and reporting mechanisms are in place to encourage employees to promptly raise unsafe conditions or near-miss incidents. Reported hazards are reviewed and addressed through corrective measures, reinforcing a proactive rather than reactive safety culture. Good housekeeping standards are maintained to reduce slip, trip and fall risks, and workplace conduct rules are enforced to minimise machinery-related hazards. Role identification measures, such as differentiated safety helmet colours at operational sites, further support structured safety management.

Training also plays an integral role in strengthening risk prevention. Training programmes in FYE2025 included safety in handling forklift trucks, overhead crane safe handling training, Occupational Safety and Health coordinator programmes, as well as first aid, CPR and AED training.



IN FYE2025, 76 EMPLOYEES RECEIVED OSH-RELATED TRAINING, WITH A TOTAL OF 616 TRAINING HOURS RECORDED.

**OSH PERFORMANCE**

KSSC remains committed to achieving zero workplace fatalities and serious accidents. In FYE 2025, the Group recorded zero work-related fatalities.

Incident Category	Number of Cases		
	FYE2023	FYE2024	FYE2025
Fatality	0	0	0
Major Injury	0	0	0
Minor Injury	2	0	1
Dangerous Occurrence	0	0	0
Occupational Poisoning	0	0	0
Near Misses	0	0	0
Others	0	0	0

Through ongoing monitoring, employee participation and preventive safety measures, KSSC continues to strengthen its occupational health and safety practices to support a safe and resilient operational environment.

SUSTAINABILITY STATEMENT

FAIR LABOUR PRACTICES AND HUMAN RIGHTS

KSSC is committed to upholding human rights and fair labour practices across all its operations. The Group recognises that respect for human dignity, ethical employment standards and responsible workplace conduct are essential to operational integrity and long-term sustainability. These principles guide how we manage our workforce, engage with contractors and conduct business within our operational environment.

The Group's approach is anchored in our human rights policy, that is in compliance with applicable Malaysian labour laws and statutory requirements governing employment. Internal policies and employment procedures are designed to ensure lawful working conditions, fair treatment and consistent standards across recruitment, onboarding and workforce management processes.

KSSC maintains a zero-tolerance stance towards child labour, forced labour, modern slavery, debt bondage and human trafficking. The Group strictly prohibits any form of involuntary labour within its operations and expects third-party contractors and subcontractors to adhere to the same standards. All workers engaged directly or indirectly must be treated with dignity, work under safe conditions and be employed on a voluntary basis in accordance with legal requirements.

“

DURING THE REPORTING PERIOD, THERE WERE ZERO SUBSTANTIATED INCIDENTS OF CHILD LABOUR, FORCED LABOUR OR HUMAN RIGHTS VIOLATIONS.

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The Group promotes equal opportunity and fair treatment in employment-related decisions. Recruitment, remuneration, promotion and training are conducted without discrimination based on gender, race, religion or other non-work-related factors. Employees are provided with decent working and, where applicable, living conditions, access to healthcare benefits in accordance with company policy, and recognition of their rights, including freedom of association, religious practice and collective representation as provided under Malaysian law.

KSSC respects the right of employees to join, support or participate in any lawful association, professional body or collective group. Employees may collectively raise issues or concerns to management, and such representations are acknowledged and reviewed by the Human Resources function and Senior Management. The Group does not discourage or hinder lawful participation, provided such activities comply with applicable regulations.

Working arrangements, including notice periods for significant changes to employment terms or job roles, are managed in accordance with statutory requirements and company policies. Employees are provided with appropriate notice and may seek clarification on changes affecting their employment.

Reporting and Remediation

The Group has established mechanisms to address workplace concerns in a structured and confidential manner. Employees may raise issues directly with their immediate supervisors, the Human Resources department or through established reporting channels. Matters relating to misconduct, labour practices or ethical concerns are handled discreetly and investigated where necessary, with corrective actions implemented in line with internal procedures.

Through continuous oversight by Management and review of workplace practices, KSSC seeks to maintain compliance with applicable labour standards and to strengthen its human rights governance framework over time.

SUSTAINABILITY STATEMENT

COMMUNITY OUTREACH

KSSC believes that responsible corporate conduct extends beyond business operations to the communities in which we operate. As part of our commitment to sustainable development, the Group seeks to contribute positively to society through initiatives that are aligned with our values and operational footprint.

The Group's community outreach efforts are guided by practicality and relevance. Contributions may take the form of financial assistance, in-kind support or participation in selected community-based programmes. KSSC encourages employee participation in volunteer or charitable activities where feasible. Such involvement not only strengthens community ties but also fosters teamwork and a shared sense of social responsibility within the organisation.

“

IN FYE2025, THE GROUP INVESTED RM10,191 IN COMMUNITY-RELATED INITIATIVES, BENEFITING AN ESTIMATED 5 ORGANISATIONS.

”

EXTENDING COMPASSION TO CHILDREN AND FAMILIES IN NEED

In FYE2025, KSSC extended its community outreach efforts through collaborations with several welfare organisations, including:

- Persatuan Kebajikan Al Fikrah
- Pertubuhan Kebajikan Kaseh Sayang
- Persatuan Insan Istimewa Cheras Selangor
- Pertubuhan Kebajikan Rasa Sayang Selangor
- Pertubuhan Kebajikan Orang Tua Cacat & Kurang Upaya

These initiatives focused on uplifting underprivileged and vulnerable communities through the provision of essential food aid and direct engagement with beneficiaries.

Beyond material support, employees actively connected with residents through meaningful interactions, offering emotional support and fostering a sense of care and inclusion. In selected engagements, interactive activities such as colouring sessions with children were also conducted, creating moments of joy and strengthening community bonds.



SUSTAINABILITY STATEMENT



RESPONSIBLE GOVERNANCE

SUSTAINABILITY OVERSIGHT

KSSC recognises that strong governance underpins long-term sustainability, resilience, and stakeholder confidence. The Group's governance framework supports ethical conduct, transparent decision-making and effective oversight, while ensuring compliance with applicable laws, regulations, and Bursa Malaysia's listing requirements. Through the stewardship of the Board, supported by established policies, procedures, and internal controls, sustainability considerations are embedded within governance and risk oversight processes in a manner aligned with the Group's operational context and strategic priorities.

Governance structure

Oversight of sustainability-related matters at KSSC is anchored at the Board level, reflecting the Board's responsibility for strategic direction, governance integrity, and long-term value creation. Sustainability considerations are integrated into existing governance structures and Board deliberations, rather than managed through a standalone sustainability committee, ensuring close alignment with business strategy, operational oversight, and risk management.

The Board is supported by its Board Committees, in particular the Audit and Risk Management Committee ("ARMC"), which assists in overseeing internal controls, compliance matters, ethical conduct, and risk management. Matters reviewed by Management relating to governance, sustainability and risk are escalated through established reporting channels and deliberated at the ARMC and Board levels as appropriate.

Senior Management is responsible for implementing Board-approved policies and ensuring that governance and sustainability-related requirements are operationalised across the Group. Management, led by the Executive Director, is accountable for the day-to-day management of the Group, including the implementation of strategic plans, risk management frameworks, and internal control systems, as well as the identification and management of material sustainability risks.

Management provides updates to the Board and relevant Board Committees quarterly through structured reporting and engagement sessions. Formal documentation of sustainability oversight roles is embedded within Board and management charters, including clearly defined escalation thresholds for material sustainability matters and a defined reporting cadence to facilitate timely oversight and decision-making.

Board diversity

KSSC recognises that an effective Board benefits from diversity of perspectives, experience, and competencies, which enhances governance quality and decision-making. The Group's approach to Board composition considers a balance of independence, professional expertise, industry knowledge and diversity, including gender diversity.

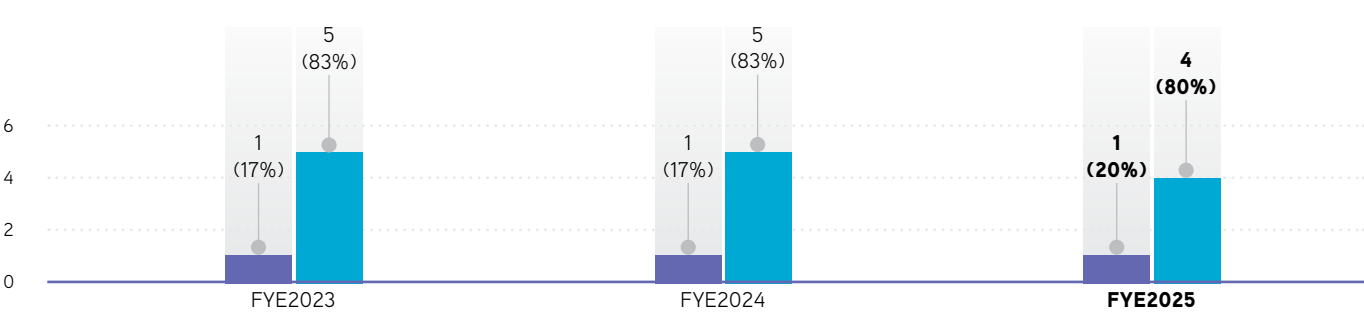
As at the end of the reporting period, the Board comprised Directors, of whom 60% were Independent Non-Executive Directors. All members of the Audit and Risk Management Committee were Independent Non-Executive Directors, supporting independent oversight of audit, governance, and risk matters.

In line with the Malaysian Code on Corporate Governance, the Group has adopted a Gender Diversity Policy, which provides a framework for promoting diversity at Board and senior management levels through recruitment, succession planning, and leadership development. KSSC continues to uphold the aspirations of working towards the recommended target of 30%. Currently, representation of women on the Board sits at 20%. The Board also continues to evaluate its effectiveness annually through the Nomination and Remuneration Committee as part of its commitment to improvement in governance practices.

SUSTAINABILITY STATEMENT

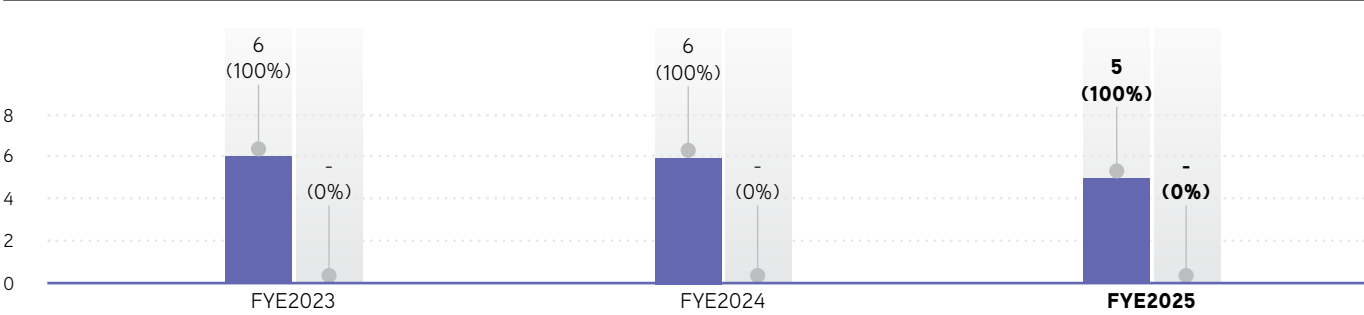
Board of Directors by Gender

FemaleMale



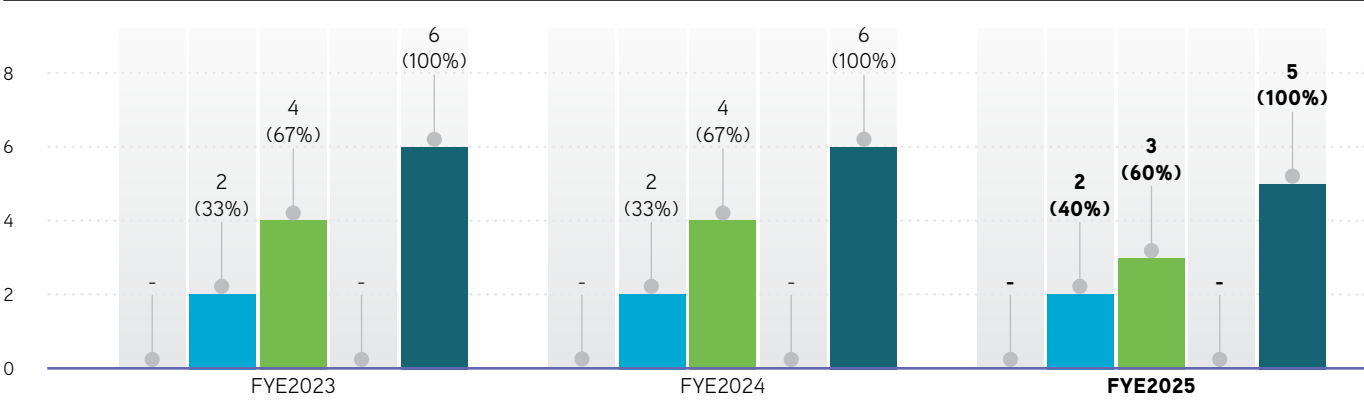
Board of Directors by Nationality

MalaysianNon-Malaysian



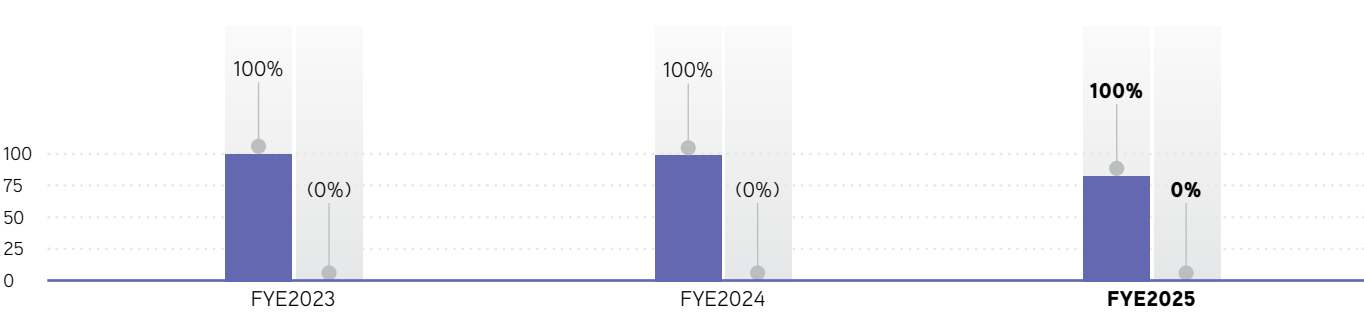
Board of Directors by Age

30 years and below31 – 50 years51 – 65 years65 years and aboveTotal



Board of Directors by Disability

Non-DisabledDisabled



Details on the Board’s composition, Directors’ profiles and meeting attendance are disclosed in the Corporate Governance section of this Annual Report.

SUSTAINABILITY STATEMENT

ETHICS AND INTEGRITY

KSSC's approach to ethics and integrity is grounded in a clear governance framework that promotes ethical conduct, accountability, and transparency across the Group. The Group's Code of Ethics and Anti-Bribery and Anti-Corruption ("ABC") Policy together provide the overarching principles and standards that guide behaviour, decision-making and professional conduct for Directors, employees and relevant business partners.

The Code of Ethics establishes the Group's expectations on integrity, compliance and responsible business practices, and is reviewed periodically by the Board to ensure its continued relevance. These ethical standards are reinforced through KSSC's corporate governance framework, under which the Board and its Committees provide oversight of governance performance, related party transactions and compliance with applicable requirements.

Further information on the Group's corporate governance practices is disclosed in the Corporate Governance section of this Annual Report.

Anti-Bribery and Anti-Corruption

KSSC maintains a zero-tolerance approach towards bribery and corruption, and is committed to conducting its business with integrity, professionalism, and accountability. In alignment with Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018, the Group has established an Anti-Bribery and Corruption Policy ("ABC"), with oversight by the Board and Senior Management.

The ABC Policy defines corrupt practices and clearly states that both the giver and recipient of a corrupt act may be subject to disciplinary action and, where appropriate, reported to the relevant authorities. All Directors and employees are required to provide signed acknowledgement of their understanding of, and commitment to comply with, the ABC Policy.

To reinforce awareness and compliance, KSSC conducts regular refresher training on anti-bribery and anti-corruption for Directors and employees, as well as induction briefings for new employees. Attendance at ABC training for FYE2025 was 80% for Directors and 19.4% for employees.

Total ABC training hours recorded during FYE2025 amounted to 208 hours, covering Board, managerial, executive and non-executive personnel.

Attendance at ABC Training

Category	FYE2023 (%)	FYE2024 (%)	FYE2025 (%)
Board Members	100	100	80
Employees	100	100	19

Total ABC Training Hours

Category	FYE2023 (Hours)	FYE2024 (Hours)	FYE2025 (Hours)
Board & Management	32	68	96
Executive	192	152	72
Non-Executive	20	32	40
Operational	66	56	
TOTAL	310	308	208

SUSTAINABILITY STATEMENT

KSSC has established preventive and detective controls to address corruption risks, including periodic fraud and corruption risk assessments conducted under the oversight of the ARMC. Areas identified as having higher potential risk are evaluated to strengthen internal controls and processes. Any employee found to be in violation of the ABC Policy is subject to disciplinary action, which may include suspension, termination or legal action, where warranted.

“

DURING THE REPORTING PERIOD, THERE WERE ZERO REPORTED INCIDENTS OF BRIBERY OR CORRUPTION, ZERO DISCIPLINARY ACTIONS TAKEN, AND ZERO LEGAL PROCEEDINGS OR MONETARY LOSSES ARISING FROM CORRUPTION-RELATED MATTERS.

”

ABC Across the Supply Chain

The ABC Policy also plays an essential role in upholding governance and integrity standards across KSSC’s supply chain. Anti-corruption expectations are also communicated to suppliers and business partners, including the use of anti-corruption declarations as part of procurement and engagement processes.

The Group conducts due diligence on suppliers and vendors prior to engagement to ensure reliability and trustworthiness, including assessments of track record, financial standing, physical inspections and potential conflicts of interest.

KSSC maintains a database of suppliers and vendors to support traceability and periodic updates. Suppliers and vendors are required to declare their awareness of, and compliance with, the ABC Policy through an Anti-Corruption Questionnaire. Vendor performance is periodically reviewed, and suppliers that do not meet the Group’s requirements may be subject to further assessment.

Conflicts of Interest

KSSC recognises that unmanaged conflicts of interest may undermine governance integrity and stakeholder trust. In FYE2025, the Group strengthened its governance framework through the adoption of a Conflict of Interest Policy, which sets out requirements for identifying, disclosing and managing actual, potential or perceived conflicts of interest involving Directors and relevant senior personnel.

Directors and key officers are required to disclose conflicts as they arise, and appropriate measures are taken to manage such situations, including abstention from deliberation or decision-making where relevant. Conflict-of-interest matters, including those arising from related party transactions, are overseen by the Board.

Policy Governing Gifts and Entertainment

KSSC acknowledges that business relationships may involve customary practices of gifts and entertainment. Any gifts or entertainment given or received must comply with applicable laws, must not violate the giver’s or recipient’s policies, and must be consistent with local customs and practices.

Benefits provision is subject to prior consultation and approval by Senior Management and the Anti-Bribery and Anti-Corruption Compliance function, in accordance with the Group’s internal procedures.

Political contributions

As a public listed company, KSSC maintains a position of political neutrality and does not favour or promote the agenda of any political party, nor is it affiliated with any political organisation. The Group does not make donations to political parties.

The Group may participate in charitable or nation-building programmes organised by government bodies or agencies, including corporate social responsibility initiatives that may involve public officials or politicians, provided such activities are conducted in a non-political manner.

SUSTAINABILITY STATEMENT

Whistleblowing

KSSC has established a Whistleblowing Policy and whistleblowing channels to provide internal and external stakeholders with access to report concerns relating to improper conduct. Whistleblowers who disclose concerns in good faith are accorded confidentiality and protection against retaliation, harassment or disciplinary action, to the extent reasonably practicable.

Reports may be submitted through formal correspondence or designated email channels to the Executive Director, with a copy to the Chairlady of the Audit and Risk Management Committee, or to the external Company Secretary. The Executive Director determines the scope of investigation, and the Board deliberates on reports where necessary, including actions to be taken following investigations.

Whistleblowers may request follow-up information on investigations or actions taken, subject to legal limitations.



IN FYE2025, THERE WERE ZERO CASES REPORTED THROUGH THE WHISTLEBLOWING CHANNEL.



Data privacy

KSSC recognises the importance of protecting personal data obtained in the course of its business operations, particularly customer data. The Group complies with the Personal Data Protection Act 2010 ("PDPA"), and personal data is treated as private and confidential, unless disclosure is required by law or enforcement agencies.

Customer data is collected with consent and used for internal purposes as agreed by customers. The Group maintains secure information technology systems to safeguard data confidentiality.



IN FYE2025, THERE WERE ZERO CASES OF DATA BREACHES REPORTED ACROSS THE GROUP'S OPERATIONS.



RISK MANAGEMENT

Effective risk management is essential to KSSC's ability to safeguard shareholder value, maintain operational resilience and support sustainable long-term growth. Operating within the stainless steel, metal-related manufacturing, trading and engineering sectors exposes the Group to financial, operational, regulatory and market-related risks, which are managed through established governance and internal control mechanisms.

The Board retains overall responsibility for the Group's risk management and internal control system, ensuring that principal risks are identified, evaluated and appropriately managed. Oversight of risk management processes is supported by the Audit and Risk Management Committee ("ARMC"), which comprises Independent Non-Executive Directors, reinforcing objectivity and accountability at the highest governance level.

Risk management activities are embedded within the Group's operational and reporting structures. Management conducts periodic reviews of key risk areas, including sustainability-related matters. The ARMC conducts annual fraud and corruption risk assessments to identify areas of higher exposure and strengthen preventive controls.

Through continuous monitoring by Management, oversight by the ARMC, and review by the Board, KSSC seeks to maintain a sound system of risk management and internal control. While recognising that no system can eliminate all risks, the Group is committed to strengthening its risk management practices to support operational stability and long-term value creation.

SUSTAINABILITY STATEMENT

BURSA MALAYSIA CSI PLATFORM PRESCRIBED TABLE

K.Seng Seng Corporation Berhad

BMLR Transition Period

Date & Time: 2026-04-28_17:32:41

FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	Percentage of employees who have received training and anti-corruption by employee category	%	Board members - 80 Employees - 19	-	No assurance
Anti-Corruption	Percentage of operations assessed for corruption-relate risks	%	-	-	No assurance
Anti-Corruption	Confirmed incidents of corruption and action taken	Number	-	-	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	10/191	-	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	5	-	No assurance
Diversity	Percentage of employees by age group for each employee category	%	Managerial ≤ 30 years - 8- Managerial 31 - 50 years - 82 Managerial 51 - 64 years - 10 Managerial ≥ 65 years - 0 Executive ≤ 30 years - 20 Executive 31 - 50 years - 50 Executive 51 - 64 years - 25 Executive ≥ 65 years - 0 Non Executive ≤ 30 years - 32 Non Executive 31 - 50 years - 59 Non Executive 51 - 64 years - 8 Non Executive ≥ 65 years - 1	-	No assurance
Diversity	Percentage of employees by gender for each employee category	%	Management Female - 21 Management Male - 79 Executive Female - 50 Executive Male - 50 Non-Executive Female - 18 Non-Executive Male - 82	-	No assurance
Diversity	Percentage of directors by gender	%	Female - 20 Male - 80	-	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-04-28_17:32:41

Page 1 of 3

SUSTAINABILITY STATEMENT

K.Seng Seng Corporation Berhad

BMLR Transition Period

Date & Time: 2026-04-28_17:32:41
FYE 31/12/2025

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of directors by age group	%	< 30 - 0 31 - 50 - 40 51 - 65 - 60 > 65 - 0	-	No assurance
Energy Management	Total energy consumption	Megawatt	8,96763	-	No assurance
Health and Safety	Number of work-related fatalities	Number	-	-	No assurance
Health and Safety	Lost time incident rate	Number	1	-	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	76	-	No assurance
Labour Practices and Standards	Total hours of training by employee category	Hours	Management - 308 Executives - 910 Non-Executives - 471	-	No assurance
Labour Practices and Standards	Percentage of employees that are contractors or temporary staff	Percentage	-	-	No assurance
Labour Practices and Standards	Total percentage of employee turnover by employee	Percentage	36	-	No assurance
Labour Practices and Standards	Number of substantiated complaints concerning human rights violations	Number	-	-	No assurance
Supply Chain Management	proportion of spending on local suppliers	Percentage	62	-	No assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-	-	No assurance
Water	Total volume of water used	Megalitres	5,837	-	No assurance
Waste Management	Total waste generated	Metric Tonnes	462.37	-	No assurance
Waste Management	Total waste diverted from disposal	Metric Tonnes	0.37	-	No assurance
Waste Management	Total waste diverted to disposal	Metric Tonnes	462.00	-	No assurance

SUSTAINABILITY STATEMENT

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CORPORATE GOVERNANCE OVERVIEW STATEMENT

THE OBJECTIVE OF THIS CORPORATE GOVERNANCE OVERVIEW STATEMENT (“CG STATEMENT”) IS TO PROVIDE AN OVERVIEW OF THE APPLICATION OF THE CORPORATE GOVERNANCE PRACTICES OF THE COMPANY DURING THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (“FYE 2025”) IN ACCORDANCE WITH THE MALAYSIAN CODE ON CORPORATE GOVERNANCE (“MCCG”).

This CG Statement is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (“Listing Requirements”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and guidance was drawn from Practice Note 9 of Bursa Securities’ Listing Requirements and the Corporate Governance Guide (4th Edition) issued by Bursa Securities with reference to the following three (3) key principles under the leadership of the Board:

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

- Board responsibilities
- Board composition
- Remuneration

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

- Audit Committee
- Risk management and internal control

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

- Engagement with stakeholders
- Conduct of general meetings

This CG Statement of the Company is available at www.kssc.com.my.

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

1.0 Board Responsibilities

The Board of Directors (“the Board”) is entrusted to oversee the overall management of the business affairs of the Group, determine all major policies, ensure effective strategies and management are in place, assess the performance of the Group and the management team, and review the systems of risk management and internal control of the Group. When implementing the business plan, the Executive Directors are responsible for executing corporate decisions made by the Board, while the Non-Executive Directors scrutinise the management performance by providing independent views and advice in the interests of the shareholders at large.

To ensure effective discharge of their function and responsibilities, the Board has defined and collectively reviewed and approved the roles and responsibilities as well as the schedule of reserved matters in the Board Charter. In order to assist the Board in the oversight function on specific responsibility areas, the Board has established two (2) Board Committees, namely:

- Audit and Risk Management Committee (“ARMC”)
- Nomination and Remuneration Committee (“NRC”)

The Company has merged the Nomination Committee (“NC”) and Remuneration Committee (“RC”) into a single Board Committee known as “Nomination and Remuneration Committee” on 22 April 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

1.0 Board Responsibilities (continued)

Governed by their respective Terms of References, the Chairman of the respective Board Committees shall report to the Board on their meeting proceedings and deliberations as well as make recommendations to the Board on the matters under their purview. The Board ensure all Directors have unrestricted access to the advice and services of Senior Management and Company Secretaries and may obtain independent professional advice at the Company's expense in order to discharge their duties effectively.

The Chairman instils good governance practices, leadership and effectiveness in the Board through chairing of board meetings and deliberating together with the Board members on board matters and policies.

The Board is supported by three (3) professional Company Secretaries who carry out the responsibilities of the company secretarial function for the Group. These Company Secretaries have the requisite credentials and are qualified to act as Company Secretaries under Section 235(2) of the Companies Act 2016. The Company Secretaries assists the Board in discharging its duties in regard to compliance with regulatory requirements, guidelines, legislations and the principles of best corporate governance practices.

During the FYE 2025, the Board had reviewed and approved, amongst others:

- 1) Quarterly results
- 2) ARMC's Report on External Audit Plan for FYE 2025
- 3) ARMC's Report on Internal Audit Plan for FYE 2025
- 4) Annual report 2024
- 5) Endorsement of the Group Financial Budget 2026

The Board had established the Anti-Bribery and Corruption Policy in keeping with the commitment set forth to prevent bribery and corruption. KSSC takes a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and integrity in all business dealings and relationships wherever the Group operates and expects the individuals and organisation the Group works with to uphold and adopt the same approach.

As an additional measure to safeguard the integrity of the Group, the Board has defined its Whistleblowing Policy to provide guidance for stakeholders to report genuine concerns of any possible improprieties pertaining to financial reporting, compliance, malpractices and unethical business conduct within the Group. In addition, the Board has also defined its Code of Conduct and Ethics which serves as a tool for the Board to convey and instill its values into the organization.

The Board Charter, Terms of Reference of the Board Committees, Director's Fit and Proper Policy, Anti-Bribery and Corruption Policy, Whistleblowing Policy and Code of Ethics are also available on the Company's website at www.kssc.com.my.

2.0 Board Composition

The appointment of Board is based on objective criteria, merit and with due regards for diversity in skills, experience, age and gender. When considering the appointment of directors, the Nomination Committee will be guided by the Fit & Proper Policy and consider the following attributes in the recruitment and screening process:

- Skills, knowledge, expertise and experience;
- Professionalism;
- Integrity;
- Boardroom diversity including gender diversity; and
- In the case of candidates for the position of Independent Non-Executive Directors, the committee should also evaluate the candidates' ability to discharge such responsibilities/ functions as expected from Independent Non-Executive Directors.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

2.0 Board Composition (continued)

During the FYE 2025, the Board comprised of 5 members of which 3 were Independent Non-Executive Directors, which fulfils the prescribed requirement of 1/3 of the Board to be independent as stated in Paragraph 15.02 of the Listing Requirement of Bursa Securities. Presently, there are 5 Directors and their profiles are set out in the Directors' Profile in this Annual Report.

The presence of Independent Non-Executive Directors from various fields are invaluable assets to the Company and fulfil the pivotal role in corporate accountability. The role of Independent Non-Executive Directors is particularly important as they provide unbiased and independent views, advices and judgements to take into account the interests of the Group and stakeholders.

The Board understands that quality of information affects the effectiveness of the Board to oversee the conduct of business and to evaluate the Management's performance of the Group. Information and materials that are important to the Board's understanding of the business to be conducted at a Board or committee meeting will be distributed to the Directors in order to provide ample time for review beforehand. Notice of Board meetings are usually issued at least five (5) working days prior to the meeting. Upon conclusion of meeting, the Company Secretary will ensure that accurate and proper records of the proceedings and resolutions passed are recorded and the minutes is circulated to the Board members before the next meetings.

During FYE 2025, there were five (5) Board meetings held and all the Board Papers were circulated to the Board in a timely manner.

The attendance of Directors who are members of Board Committees during FYE 2025 were as follows:

Director	Designation	Board of Directors	Audit and Risk Management Committee	Nomination and Remuneration Committee
Datuk Low Chin Koon (Redesignated as a Board Chairman on 22 April 2025)	Independent Non-Executive Chairman	5/5	5/5	1/1
Lee Hai Peng (Resigned on 6 April 2026)	Executive Director	5/5	-	-
Er Kian Hong	Independent Non-Executive Director	5/5	5/5	1/1
Teh Boon Beng	Independent Non-Executive Director	5/5	5/5	1/1
Dr Lim Pang Kiam (Resigned on 6 April 2026)	Non-Independent Non-Executive Director	5/5	-	-

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

2.0 Board Composition (continued)

The Directors were encouraged and afforded the opportunity to upskill and keep themselves abreast with the market and regulatory changes throughout the financial year. During the FYE 2025, the Directors attended continuous professional development programme covering various topics ranging from financial, changes in statutory and regulatory requirements, governance, sustainability and industry knowledge. During FYE 2025, the Directors attended the following training programmes:

Directors	Conference/Seminar/Workshop	Presenter/Organiser
Datuk Low Chin Koon (Redesignated as a Board Chairman on 22 April 2025)	M Essential Fundamentals of Anti Bribery and Corruption	VEL Consultancy Services Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	ICDM
Er Kian Hong	Malaysia budget 2025 and latest tax developments	Jointly Boardroom.com and JAC Global Sdn Bhd
	Key Amendments to the ACE Market Listing Requirements	Cospec Management Services Sdn Bhd
	The Evolving Financial Industry-Technology Driven Banking and Capital Markets, Fintech Credit and ESG	Symphony Digest
	Unmasking Financial Frauds & Market Manipulation (Information, Transaction & Financial Statement Based)	Symphony Digest
Teh Boon Beng	Strategic Oversight in Strategy Implementation: Getting Execution Right at the Board Level	Bursa Malaysia
	Boardroom Blind spots: How Our Perceptions of Risk Influence our Boardroom Effectiveness	ICDM
	Driving Sustainable Organization: Empowering Boards for Lasting Impact	ICDM
Dr Lim Pang Kiam (Resigned on 6 April 2026)	Malaysia budget 2025 and latest tax developments	Jointly Boardroom.com and JAC Global Sdn Bhd
	Anti-Bribery & Corruption S.17A Corporate Liability Perspective Training	OTC Training Centre Sdn Bhd
	US Tariff Hike & Its Impact on Businesses in Asia Pacific	Baker Tilly Singapore
	MIA Town Hall 2024/2025 Session 3	Malaysia Institute of Accountants
	ASEAN amidst shifting global order – a dialogue with Professor Jeffrey Sachs	Sunway University Malaysia
	GENCFO Summit 2025- Thought Leadership Summit	AICPA & CIMA
	Finance Business Partnering	AICPA & CIMA
	Elevating Finance Professionals in a Disruptive World	AICPA & CIMA
	Strategic oversight in strategy implementation: Getting execution right at the Board level program	Bursa Malaysia & ICDM
	Directors & Management Training Program on ESG	AGV Sustainability & ESG Services Sdn Bhd
	AI in Business : Disruption, innovation and the future of work (as a Guest Speaker)	University Technology Petronas, Malaysia
	National Sustainability reporting Framework	Securities Commission Malaysia, Kuala Lumpur
	MIA Townhall 2025/2026	Malaysia Institute of Accountants
	Audit oversight Board's conversation with audit committees	The Securities Commission Malaysia

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A:

BOARD LEADERSHIP AND EFFECTIVENESS

2.0 Board Composition (continued)

Nomination & Remuneration Committee Statement

During the FYE 2025, the Company has merged the NC and RC into a single Board Committee known as “Nomination and Remuneration Committee (NRC)” on 22 April 2025. The NRC comprised of three (3) Non-Executive Directors, out of which two (2) are independent directors, as follow:

Name	Designation	Directorship
Teh Boon Beng	Chairman	Independent Non-Executive Director
Er Kian Hong	Member	Independent Non-Executive Director
Dr Lim Pang Kiam (Appointed on 22 April 2025 & Resigned on 6 April 2026)	Member	Non - Independent Non-Executive Director
Datuk Low Chin Koon (Resigned on 22 April 2025)	Member	Independent Non-Executive Director

Activities of the NRC

During the FYE 2025, the NRC met once and performed the following activities in the discharge of its duties:

- Recommended the re-election of the Directors who are to retire by rotation at the 41st AGM of the Company
- Reviewed the contribution and performance of each individual Director to assess the character, experience, integrity, and competence to effectively discharge their role as a Director through a comprehensive assessment system
- Evaluated the performance of the Board and the Board committees
- Assessed the independence of the Independent Directors of the Company
- Reviewed the term of office of the ARMC and assessed its effectiveness as a whole

3.0 Remuneration

The remuneration of Directors is set at levels that enable the Company to attract and retain Directors with the relevant experience and expertise to manage the Group's business effectively. The NRC oversees the remuneration of Directors. The remuneration for Directors is in line with the Board's aim to retain, attract and reward talent based on industry benchmarks.

The remuneration packages for Executive Directors are reviewed by the NRC and recommended to the Board for approval. It is then decided by the Board, without the respective Executive Directors' participation, regarding their remuneration.

The remuneration details of the individual Directors for FYE 2025 are disclosed in page 56 of the CG Report. The Board is of the view that disclosing the Senior Management's remuneration components would not be in the best interests of the Group, given the competitive human resources environment, as such disclosure may give rise to talent recruitment and retention issues. Also, premised on the confidentiality of the Senior Management remuneration package, the Board has adopted disclosure of Senior Management remuneration in RM50,000 bands on an unnamed basis.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE B:

EFFECTIVE AUDIT AND RISK MANAGEMENT

1.0 Audit & Risk Management Committee

The members of ARMC comprise of fully Independent Non-Executive Directors. The Chairlady of the ARMC is distinct from the Chairman of the Board so as to promote unfettered objectivity during the Board's review of the ARMC's findings and recommendations. The current ARMC composition meets the requirements of Paragraph 15.09 of the Listing Requirement of Bursa Securities, where the ARMC Chairlady, Er Kian Hong is a member of the Certified Practising Accountants (CPA), Australia. The present composition of the ARMC allows it to possess the requisite level of financial literacy and business acumen to have a sound understanding of the financial matters of the Group as well as an understanding of the latest developments in financial reporting, accounting and auditing standards.

None of the members of the ARMC are former audit partners of the current external audit firm of the Group. As stated in the Terms of Reference of the ARMC, the Committee is mindful of the minimum three (3) years cooling off period best practice under the MCCG when considering the appointment of former key audit partner from its current external audit firm to ensure that the review of the Group's financial statements and the performance and independence of the External Auditors are being done objectively by the Committee.

Before the commencement of the current financial year audit, the AC had reviewed and deliberated with the External Auditors on their audit planning memorandum, covering the audit risk areas, approach, emphasis and timeline. The AC also noted the External Auditors' independence check and confirmation procedures carried out in the firm as well as no conflict of interest for rendering their non-audit services to the Group presently.

Full details of the ARMC's duties and responsibilities are stated in its Terms of Reference which is made available on the Company's website at www.kssc.com.my and the detailed disclosure on the role and activities undertaken by the AC during the financial year is provided in the ARMC Report of this Annual Report.

2.0 Risk Management and Internal Control Framework

The Board has ultimate responsibility for reviewing the Company's risks, approving the risk management framework and policy and overseeing the Company's strategic risk management and internal control framework to achieve its objectives within an acceptable risk profile as well as safeguarding the interest of stakeholders and shareholders and the Group's assets.

The Board is supported by the ARMC, which reports to the Board regarding the Group's risk exposures, including a review of the risk assessment model used to monitor the risk exposures and the Management's view on the acceptable and appropriate level of risks faced by the Group. The ARMC is chaired by Er Kian Hong and comprises of Independent Directors. The ARMC will continue to evaluate, review and monitor the Group's risk management framework and activities on an ongoing basis to identify, assess and monitor the key business risks of the Company to safeguard shareholders' investment and the Company's assets.

The Company also engages outsourced internal auditors to provide independent assessments of the adequacy, efficiency, and effectiveness of the Company's internal control system. The internal auditors report directly to the ARMC and internal audit plans are tabled to the ARMC for review and approval by the Board to ensure adequate coverage.

The process of risk management and internal control is ongoing and undertaken by each department within the Company. The Company will continuously enhance the existing risk management and internal control system by taking into account the changing business environment.

Further details on the features of the risk management and internal control framework, and the adequacy and effectiveness of this framework, are disclosed in the Statement on Risk Management and Internal Control in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE C:

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIPS WITH STAKEHOLDERS

1.0 Engagement with stakeholders

The Board is committed to ensure effective, transparent and timely communication with the stakeholders. Shareholders and other stakeholders are kept informed of the latest developments of the Group via announcements to Bursa Securities, annual reports, quarterly financial results, circulars to shareholders and press releases.

In addition, the Company maintains a corporate website at www.kssc.com.my to promote accessibility of information to the Group's diverse stakeholder groups. The Board ensures that the website is regularly updated with recent announcements, past and current reports to shareholders as well as news and press releases pertaining to the Group. Any comments, queries and suggestions can be directed to a designated e-mail address, namely enquiry@kssc.com.my

KSSC is not categorised as "Large companies" and thus, have not adopted integrated reporting based on a globally recognised framework.

2.0 Conduct of General Meetings

The AGM serves as the primary platform for shareholders to engage the Board and Senior Management in a productive two-way dialogue. Shareholders are accorded with the opportunity to put forward questions and seek clarifications on the broad areas of the Group's performance, business activities and outlook during a Question & Answer session held during the AGM.

The Company is mindful of the requirements to ensure the notice of the upcoming AGM will be issued to the shareholders at least 28 days. All Directors will also attend the upcoming AGM and ensure that the AGM supports meaningful engagement between the Board, senior management and shareholders. The minutes of the general meeting will be made available to shareholders no later than 30 business days after the general meeting.

COMPLIANCE WITH MCCG

The Board is satisfied that during the FYE 2025, the Company has substantially complied with the best practices of the MCCG on the application of the principles and best practices in corporate governance.

This CG Statement was approved by the Board on 15 April 2026.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

COMPOSITION

As at the FYE 2025, the ARMC comprises of the following members all of whom are Non-Executive Directors:-

Chairperson	: Er Kian Hong ^	Independent Non-Executive Director
Members	: Teh Boon Beng	Independent Non-Executive Director
	: Dr Lim Pang Kiam (Appointed on 22 April 2025 & Resigned on 6 April 2026)	Non-Independent Non-Executive Director
	: Datuk Low Chin Koon (Resigned on 22 April 2025)	Independent Non-Executive Director

^ Certified Practising Accountants (CPA)

TERMS OF REFERENCE

The Terms of Reference of the ARMC is available at www.kssc.com.my.

The ARMC members have undergone relevant training during the financial year to apprise the regulatory changes as well as to stay abreast with contemporary issues affecting the Group. Details of the ARMC members' trainings are spelt out in the Company's Corporate Governance Overview Statement in this Annual Report.

ROLE OF THE AUDIT AND RISK MANAGEMENT COMMITTEE

The Board has entrusted the ARMC with the following responsibilities to overseeing the financial reporting process, the audit processes and the risk management functions:

- To review the Group's quarterly results and year-end financial statements;
- To review the External Auditors' Audit Plan and Audit Report;
- To review the assistance and cooperation given by the employees to the External Auditors;
- To meet with the External Auditors once during the FYE 2025 without the presence of any executive Board members;
- To assess the Group's risks profile and to measure with the appropriate internal audit plan and internal control system;
- To review the internal audit plan and processes, the findings, investigation undertaken, and whether or not any appropriate action is taken on the recommendations of the internal audit function, and reporting the same to the Board;
- To receive risk reports and update reports from the Risk Officers and respective Heads of Division;
- To review the independence of the Group's internal and external auditors and the processes adopted by the auditors;
- To review the Recurrent Related Party Transactions to ensure they are not detrimental to the minority; and
- To review the Company's compliance of the relevant Accounting Standards and other legal requirements.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AUDIT AND RISK MANAGEMENT COMMITTEE DURING THE FINANCIAL YEAR

In line with the Terms of Reference of the ARMC, the following activities were carried out by the ARMC during the FYE 2025 in discharging its functions and duties:-

Financial Performance & Reporting

- The ARMC reviewed the unaudited quarterly financial results and announcements and annual financial statements of the Group before submission to the Board of Directors for approval. This was to ensure that the financial statements were in compliance with the provisions of the Companies Act 2016, Malaysian Financial Reporting Standards, International Financial Reporting Standards and Listing Requirements of Bursa Securities.
- The ARMC reported to the Board on significant audit issues and concerns discussed during the ARMC meetings which have a significant impact on the Group from time to time, for consideration and deliberation by the Board.
- The ARMC reviewed the ARMC Report, the Sustainability Statement and the Statement on Risk Management and Internal Control before submission to the Board for approval and inclusion into the Annual Report of the Company.

External Auditors

- Discussed and reviewed the External Auditors' Audit Planning Memorandum for the FYE 2025 outlining their responsibilities, engagement team, background of the group, business highlights, materiality, audit risk assessment, significant risks and areas of audit focus, consideration of fraud, internal control plan and involvement of internal auditors, involvement of component auditors, timetable, engagement quality control, independence policies and procedures and audit fees.
- Deliberated on the External Auditors' report at its meeting with regard to the relevant disclosures in the annual audited financial statement for the FYE 2024.
- Reviewed the External Auditors' findings arising from audits, particularly comments and management's responses towards the management letter issues and their actions to resolve them.
- Discussed and reviewed with the External Auditors the applicability and the impact of the new accounting standards and new financial reporting regime issued by the Malaysian Accounting Standards Board.
- Dialogue session with the External Auditors, without the presence of the Executive Directors and management.
- Reviewed and evaluated the performance and effectiveness and Independence of the External Auditors. The ARMC assessed the integrity, capability, professionalism and work ethics of the External Auditors. After satisfying themselves with the External Auditor's performance, they recommended to the Board the re-appointment of the external auditors at the Annual General Meeting.
- To discuss audit matters with the External Auditors for the FYE 2024.

Internal Audit

- Reviewed the scope of work and audit plans for the Group prepared by the Internal Auditors.
- Reviewed the Internal Audit Report for the FYE 2025 and assessed the internal audits' findings, recommendations with the Management's responses.
- Reviewed and assessed the Internal Auditors performance based on their staff strength, resources, professional integrity, independence, familiarity with Group's operation and recommended to the Board for the re-appointment.
- Reviewed the adequacy and performance of Internal Audit function and its comprehensiveness of the coverage of activities within the Group.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

SUMMARY OF ACTIVITIES UNDERTAKEN BY THE AUDIT AND RISK MANAGEMENT COMMITTEE DURING THE FINANCIAL YEAR (continued)

Internal Audit (continued)

- The areas and operating processes reviewed by the Internal Auditors are as follows:-
 - (a) Key internal control review of credit control sales to collection review for Three and Three Hardware Sdn Bhd, PTM Stainless Steel Industry Sdn Bhd and Koseng Sdn Bhd, the scope of works as follows:-
 - Revenue and collection general control & pricing policy and approved discount structure;
 - Sales ordering and delivery;
 - Invoicing;
 - Collection process;
 - Governance over finance general control function;
 - Monitoring of accounts receivables.
 - (b) Key internal control review of Metalmach Group (Metalmach Micro Technology Sdn Bhd, Senshin Seimitsu Sdn Bhd, Tong Soon Micron Sdn Bhd and Blu Resources Sdn Bhd), the scope of work as follows:-
 - Sales management;
 - Procurement management;
 - Inventory and warehouse management;
 - Finance management;
 - Human resources and payroll management.

Related Party Transactions ("RPT") and Conflict of Interest ("COI")

All Board members will disclose if they have any RPT transaction during the quarter at every quarterly Board meeting.

The ARMC reviewed the RPT and COI situation that may arise within the Company and its Group including any transaction, procedure or course of conduct that raises questions of management integrity every quarterly.

The ARMC reviewed and determined whether the RPT and COI situation presented by the Management is fair, reasonable and on normal commercial terms and in the best interest of the Company prior entering into such transaction.

ARMC has to review the RPT and Recurrent RPT ("RRPT"), if there are fair, reasonable and on normal commercial terms and in the best interest of the Company prior to the Company entering into such transaction. All RRPT must be transacted at arm's length.

The ARMC must:

- (a) Ensure that there are adequate oversight over the controls on the identification of the interested parties and identification of the RPT and possible COI situations; and
- (b) Assess and address the reasonableness of the RPT and COI situation to ensure that interested parties do not abuse their powers to gain unfair advantages.

During the financial year under review, all RPT has been disclosed in the financial statements and no COI situation reported.

Others

The ARMC had reviewed the disclosure statements on Corporate Governance and Sustainability Statements; and recommended their adoption to the Board, for inclusion in this Annual Report.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

INTERNAL AUDIT FUNCTION

The Group has outsourced its internal audit function to Eco Asia Governance Advisory Sdn Bhd. The Internal Auditors had engaged with the various Heads of Division to conduct the enterprise risk management, to meet the risk appetites with the internal control and control plan. The Internal Auditors regularly review and appraise the effectiveness of the internal control system, governance and risk management within the Company and the Group.

The Internal Auditors report directly to the ARMC and they are given full access to all the documents relating to the Company and the Group's governance, financial statements and operational assessments.

The Company recognised that the internal audit function is important in assisting the ARMC to execute its oversight function and discharge its duties and responsibilities. They perform independent reviews to ensure adequacy and effectiveness of the internal control and risk management systems established by the Group.

The ARMC deliberate and discuss the report issued by the internal auditors. Its recommendations were duly acted upon by the Management with proper follow-up actions.

The internal audit plan covers the review of the adequacy of financial and operational controls, compliance with laws and regulations and risk monitoring activities.

The primary responsibility of the internal audit function is to assist the Board and the ARMC in reviewing and assessing whether the management systems of internal control procedures are effective and provide recommendations to strengthen these internal control procedures so as to foster a strong management control environment.

The Internal Auditors have organized their work in accordance with the principles of the internal auditing standards covering the conduct of the audit planning, execution, documentation, communication of findings and consultation with key stakeholders on the audit concerns.

The Internal Auditors conducted the risk management profile to map out the proposed action plan to address those high-priority risks. Thereafter, the Internal Auditors would recommend and present the internal audit plan to the ARMC for approval annually before commencement of the internal audit work. During the quarterly meetings following the presentation of the internal audit report, the ARMC will review the progress and coverage of the internal audit plan to ensure the audit direction remains relevant and aligned with the ARMC's expectations.

Prior to presenting the reports and findings to the ARMC, comments from Management were obtained and incorporated into the internal audit findings and report.

The internal audit report also covered the Management's follow-up on the implementation of the recommendations in their earlier reports.

The details of the internal audit functions during the period under review is stated in the Statement on Risk Management and Internal Control of this Annual Report.

The total cost incurred for the internal audit function of the Group for the FYE 2025 was RM146,500.

This statement was approved by the Board on 15 April 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors (the “Board”) is pleased to provide the Statement on Risk and Management and Internal Control, which outlines the nature and scope of the risk management and internal control system in the Group (comprising the Company and its subsidiaries) for the financial year ended 31 December 2025 (“FY2025”).

This Statement on Risk Management and Internal Control (“Statement”) is prepared in accordance with Paragraph 15.26(b) of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”). It is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (SORMIC Guide 2025) and aligns with the principles of the Malaysian Code on Corporate Governance (“MCCG”). The Board is committed to providing a comprehensive overview of the Group’s risk management and internal control framework, ensuring stakeholders are informed of the systems in place to safeguard their interests and the Group’s assets.

BOARD RESPONSIBILITY

The Board acknowledges its overall responsibility for the Group’s system of risk management and internal control to safeguard shareholders’ investment and the Group’s assets and review its adequacy and integrity. The Board is mindful of the need to establish clear roles and responsibilities in discharging its fiduciary and leadership functions in line with Practice 1.1 of the MCCG. Accordingly, the Board is aware that its principal responsibilities, as outlined in the Guidance of the MCCG, include, inter-alia, the following:

- ensure there is a sound framework for internal control & risk management;
- understanding and identifying principal risks of the business and ensuring the implementation of appropriate controls and mitigation measures;
- sets the risk appetite, within which the management is expected to operate; and
- reviewing the adequacy and integrity of the management information and internal controls system of the Company.

The Group has in place a risk management process to identify and evaluate significant risks, comprising strategic, financial, and operational risks and a system of internal control to mitigate such risks. Given the limitations inherent in any system of risk management and internal control, the system is designed to manage, rather than to eliminate, the risk of failure to achieve the Group’s business and corporate objectives. The system can therefore only provide reasonable, but not absolute assurance, against any material misstatement, financial loss, or fraudulent practice.

RISK MANAGEMENT PROCESS

The Board recognizes the importance of risk management to safeguard shareholders’ investment and the Group’s assets. Accordingly, it has deployed a process to identify and evaluate significant business risks faced by the Group to manage them during the financial year under review and up to the date of approval of this Statement. Management is entrusted to identify such risks for onward reporting to the Board so that remedial measures may be taken to mitigate the risks as appropriate. For each risk identified, the risk management process includes assessing the likelihood of its occurrence and the impact thereof. The significant risks faced by the Group, including action plans to mitigate risks within acceptable levels, are reported by Management to the Board yearly.

The Board also had established an Enterprise Risk Management framework to identify, evaluate, control, report, and monitor significant risks faced by the Group. Such a framework also includes pertinent risk management policies and guidelines to provide structured guidance to personnel across the Group in addressing risk management. The risk appetite of the Group is articulated via the use of risk parameters in the framework, covering financial and non-financial metrics, to assess the likelihood of risks occurring and the impact thereof should the risks occur. Internal controls deployed by Management are linked to, and mitigate the business risks identified.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

PRINCIPAL RISKS IDENTIFIED IN FY2025

Based on the Group's Enterprise Risk Management assessment, the following principal risks were identified and monitored during the financial year.

Principal Risk	Risk Description / Potential Impact	Key Mitigation Measures
Raw Material Price Volatility	Prices of stainless steel materials are subject to fluctuations influenced by global commodity markets and supply-demand dynamics. Significant price movements may affect the Group's margins and inventory valuation.	Continuous monitoring of market price trends, prudent inventory planning and periodic review of selling prices to reflect market conditions.
Supply Chain Disruption	The Group relies on local and international suppliers for stainless steel materials. Disruptions in supply chain logistics, delays in delivery or supplier capacity constraints may affect production schedules and customer fulfilment.	Maintain relationships with multiple suppliers, monitor supplier performance and implement inventory planning to reduce supply disruptions.
Inventory Management Risk	Holding significant inventories exposes the Group to risks of slow-moving stock, price erosion and increased working capital requirements.	Regular inventory monitoring, periodic stock reviews and inventory planning to maintain optimal stock levels.
Project Execution Risk	Fabrication and project-based works may be exposed to risks such as cost overruns, project delays or operational inefficiencies which may affect profitability and customer satisfaction.	Project planning and monitoring of milestones, cost control measures and periodic project performance reviews.
Market Demand Risk	Demand for stainless steel products is closely linked to activities in the construction, manufacturing and industrial sectors. Economic slowdown or reduced infrastructure spending may affect demand for the Group's products.	Diversification of customer base across various industries and continuous exploration of new market opportunities.
Operational and Safety Risk	Manufacturing and fabrication operations involve machinery and manual handling which may expose the Group to workplace safety risks or operational disruptions.	Implementation of safety procedures, preventive maintenance programmes and staff training to ensure safe and efficient operations.
Financial and Credit Risk	The Group is exposed to credit risk arising from trade receivables and liquidity risk associated with working capital requirements.	Credit control procedures, monitoring of receivable ageing and prudent cash flow management.

The Board also recognises emerging risks that may affect the Group's operating environment, including global supply chain uncertainties, evolving environmental and sustainability regulations. The Group continues to monitor these developments as part of its ongoing risk management process.

KEY ELEMENTS OF INTERNAL CONTROL

The key elements of the Group's internal control system include the following:

Board and ARMC Oversight

The Board and ARMC meet regularly to review financial performance, operational matters, risk management reports and internal audit findings. Additional meetings are convened when necessary to address significant matters.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

KEY ELEMENTS OF INTERNAL CONTROL (continued)

Organisation Structure and Delegation of Authority

The Group maintains a defined organisation structure with clear lines of accountability and documented limits of authority. Matters requiring Board approval are clearly set out, and key financial and procurement transactions are subject to appropriate authorisation levels.

Financial Reporting and Monitoring

Monitoring of actual performance against approved budget. Significant variances are investigated, reported and addressed through appropriate management actions. Quarterly financial results are reviewed by the ARMC and approved by the Board prior to release to Bursa Securities.

Policies and Procedures

The Group has established policies and standard operating procedures covering key operational, financial and compliance areas to ensure consistency and accountability in decision-making.

Anti-Corruption and Compliance

The Group has adopted an Anti-Corruption Ethics and Compliance Policy to mitigate corruption risks and ensure compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009. The policy applies to Directors, employees and associated persons.

Whistleblowing Policy

The Group has established a Whistleblowing Policy to provide a channel for reporting concerns relating to misconduct, unethical behaviour or non-compliance. The policy is accessible on the Company's website and is subject to periodic review by the ARMC.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a firm of independent professionals, which adopts the International Professional Practices Framework ("IPPF") in carrying out internal audit assignments on the Group. The IPPF includes, inter-alia, the attribute and performance standards for internal auditing promulgated by the Institute of Internal Auditors, a global professional body for internal auditors. The internal audit function, which reports directly to the ARMC, assists the Board in assessing the adequacy and integrity of the internal control system established by Management based on an agreed scope of work as outlined in an Internal Audit Plan approved by the ARMC. There is no restriction placed upon the scope of the Internal Audit function's work and the internal auditor is allowed full, accessible and unrestricted access to the records and relevant personnel of the Group.

During the financial year under review, the internal audit function covered the following key processes of the Group and follow-ups report, in accordance with their audit plan:

Key internal control review of credit control sales to collection review for Three and Three Hardware Sdn Bhd, PTM Stainless Steel Industry Sdn Bhd and Koseng Sdn Bhd, the scope of works as follows:-

- Revenue and collection general control & pricing policy and approved discount structure
- Sales ordering and delivery
- Invoicing
- Collection process
- Governance over finance general control function
- Monitoring of accounts receivables

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL AUDIT FUNCTION (continued)

Key internal control review of Metalmach Group (Metalmach Micro Technology Sdn Bhd, Senshin Seimitsu Sdn Bhd, Tong Soon Micron Sdn Bhd and Blu Resources Sdn Bhd), the scope of work as follows:-

- Sales management
- Procurement management
- Inventory and warehouse management
- Finance management
- Human resources and payroll management

Their reviews are reported directly to the ARMC which includes significant internal audit findings, recommendations for improvements, Management's responses, and proposed action plans. Based on the internal audit reviews conducted, weaknesses had been identified and rectified and these weaknesses did not result in any material losses, contingencies, or uncertainties that would require separate disclosure to be made in this Annual Report.

The costs incurred for the Internal audit function for FY 2025 amounted to approximately RM146,500 (2024: RM30,000).

ASSURANCE FROM THE MANAGEMENT

The Board has received assurance from the Executive Director and Chief Financial Officer 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.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

In compliance with paragraph 15.23 of MMLR, the External Auditors have reviewed this Statement for inclusion in this Annual Report 2025. Their limited review was performed in accordance with the Audit and Assurance Practice Guide 3 ("AAPG3"): Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants.

AAPG3 does not require the External Auditors to consider whether this Statement adequately covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems, including the assessments and opinions provided by the Board and Management. The External Auditors do not assume responsibility to any person other than the Board in respect of any aspect of this Statement.

Following their review, the External Auditors have confirmed that this Statement is consistent with their understanding of the risk management and internal control processes adopted by the Board and Management within the Group.

CONCLUSION

During the financial year under review and up to the date of approval of this Statement, the Board is satisfied that the Group's existing risk management and internal control system are effective in supporting the achievement of its business objectives. There were no material losses, contingencies or uncertainties arising from significant control weaknesses that would require separate disclosure in this Annual Report.

The Board, through its ARMC, has reviewed the adequacy and effectiveness of the risk management and internal control systems. Those relevant actions have been or are being taken, as the case may be, to remedy internal control weaknesses identified from the review, which was largely based on the outcome of observations raised by the internal auditors directly to the ARMC.

This statement is issued in accordance with a resolution of the Board dated 15 April 2026.

DIRECTORS' RESPONSIBILITY STATEMENT

As at 15 April 2026

The Directors are required by the Companies Act, 2016 ("CA") to prepare the financial statements for each financial year which have been made out in accordance with applicable Malaysian Financial Reporting Standards (MFRSs), International Financial Reporting Standards (IFRSs), the requirements of the CA in Malaysia and the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, to give a true and fair view of the financial position as at the end of each financial year and the financial performance for each financial year of the Group and of the Company.

In preparing the financial statements for the financial year ended 31 December 2025, the Directors ensured that the Management has:-

- adopted appropriate accounting policies and applied them consistently;
- made judgment and estimates that are reasonable and prudent;
- ensured that applicable approved accounting standards and statutory requirements have been followed; and
- prepared the financial statements on a going concern basis.

The Directors are also responsible to ensure that the Group and the Company keep proper accounting records which disclose with reasonable accuracy the financial position of the Group and of the Company which enable them to ensure that the financial statements comply with the CA and applicable approved accounting standards.

The Directors have overall responsibility for taking all reasonable measures to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

UTILISATION OF PROCEEDS

The summary of the utilisation of proceeds from Private Placement is as follows:-

- (i) The 1st Private Placement was completed on 11 January 2021 and RM10,257,250 were received.

To date, the Company has yet to fully utilise the Private Placement Proceeds. The Board has resolved to extend the timeframe for utilising the proceeds for business expansion, particularly the construction of the new office building.

The status of the utilisation of the Private Placement Proceeds for the FYE 2025 are as follows:-

Purpose	Private Placement Received RM'000	Actual Utilisation RM'000	Unutilised Proceed RM'000	Extended Time Frame for Utilisation
(i) Business Expansion	5,000	3,100	1,900	1 st Half of 2026
(ii) Working Capital	5,157	5,157	-	-
(iii) Defray Estimated Expense	100	100	-	-
	10,257	8,357	1,900	-

AUDIT AND NON-AUDIT FEES

The auditors' remuneration including non-audit fees for the Company and the Group for the FYE 2025 is as follows:-

Details of Audit Fees	Group (RM'000)	Company (RM'000)
Statutory Audit Fees	300	60
Non-Audit Fees	5	5
Total	305	65

MATERIAL CONTRACTS INVOLVING DIRECTORS AND MAJOR SHAREHOLDERS

There are no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and its subsidiaries, involving directors' and major shareholders' interest, either still subsisting at the end of the FYE 2025 or entered into since the end of the previous financial year.

RECURRENT RELATED PARTY TRANSACTION OF A REVENUE OR TRADING NATURE

The Company did not seek any mandate from its shareholders pertaining to recurrent related party transactions of revenue or trading nature during the FYE 2025.

ADDITIONAL COMPLIANCE INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

(a) Group Total Income and Total Assets

	Group	
	2025 RM('000)	2024 RM('000)
Total Income		
Revenue	234,836	298,191
Other Income	5,268	11,198
Interest/Finance Interest	(6,964)	(7,255)
Total	233,140	302,134
Total Assets	296,896	341,230

(b) Component of Financial Position

(i) Cash Component

	Group	
	2025 RM('000)	2024 RM('000)
Islamic Account/Instrument		
Cash and Bank Balances	10,088	10,378
Fixed Deposits	1,854	2,316
Total	11,942	12,694

	Group	
	2025 RM('000)	2024 RM('000)
Conventional Account/Instrument		
Cash and Bank Balances	2,359	3,670
Fixed Deposits	2,259	1,694
Total	4,618	5,364

(ii) Debt Component

	Group	
	2025 RM('000)	2024 RM('000)
Islamic Financing		
Current		
Bankers' acceptances	35,284	64,273
Non-Current	-	-
Total Debts	35,284	64,273

ADDITIONAL COMPLIANCE INFORMATION

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (continued)

(b) Component of Financial Position (continued)

(ii) Debt Component (continued)

	Group	
	2025 RM('000)	2024 RM('000)
Conventional Borrowing		
Current		
Bankers' acceptances	9,875	41,297
Revolving credits	5,000	5,151
Hire purchases payables	1,827	575
Lease liabilities	1,732	592
Bank overdrafts	1,229	2,174
Margin facilities	12,152	8,977
Term loans	1,048	923
Total Debts	32,863	59,689
Non-Current		
Hire purchases payables	5,668	1,647
Lease liabilities	343	502
Term loans	20,452	19,445
Total Debts	26,463	21,594



04

K. SENG SENG CORPORATION BERHAD ●

FINANCIAL
INFORMATION

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DIRECTORS' REPORT

DIRECTORS' REPORT

The directors hereby submit their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associate are disclosed in Notes 12 and 13 to the financial statements.

There have been no significant changes in the nature of these principal activities during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year, net of tax	6,148,622	6,891,104
Attributable to:		
Owners of the Company	6,085,385	6,891,104
Non-controlling interests	63,237	-
	6,148,622	6,891,104

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year.

The directors do not recommend the payment of any dividends in respect of the financial year ended 31 December 2025.

RESERVES OR PROVISIONS

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

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances which would render the amount written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent.



DIRECTORS' REPORT

(CONTINUED)

CURRENT ASSETS

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Group and of the Company had 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 which would render the values attributed to the current assets in the financial statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances 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.

CONTINGENT AND OTHER LIABILITIES

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

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

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF MATERIAL AND UNUSUAL NATURE

In the opinion of the directors,

- (i) the results of the operations of the Group and of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

AUDITORS' REMUNERATION AND INDEMNITY

The auditors' remuneration of the Group and of the Company during the financial year were RM305,000 and RM65,000 respectively.

The Company has agreed to indemnify the auditors of the Company as permitted under Section 289 of the Companies Act 2016 in Malaysia.

DIRECTORS' REPORT

(CONTINUED)

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company:

- (i) On 27 May 2025, issued 14,240,000 new ordinary shares at a price of RM0.75 per ordinary share from private placement for working capital purposes.
- (ii) On 3 July 2025, issued 7,000 new ordinary shares at a price of RM0.54 per ordinary share from conversion of warrants for working capital purposes; and
- (iii) On 25 July 2025, issued 2,760,000 new ordinary shares at a price of RM0.75 per ordinary share from private placement for working capital purposes.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

During the financial year, no new issue of debentures were made by the Company.

WARRANTS

The Warrants 2022/2029 were constituted under the Deed Poll dated 19 September 2022.

The exercise period of the Warrants 2022/2029 expires on 10 October 2029.

As at 31 December 2025, the total number of Warrants 2022/2029 that remained unexercised were as follows:

	Number of warrants			
	At 1.1.2025	Allotted	Exercised	At 31.12.2025
Warrants 2022/2029	35,520,529	-	(7,000)	35,513,529

The salient terms of Warrants 2022/2029 are disclosed in Note 24(b) to the financial statements.

Details of the Warrants 2022/2029 issued to Directors are disclosed in the section of Director's Interests in this report.

EMPLOYEES' SHARE OPTION SCHEME ("ESOS")

The Company's ESOS is governed by the by-laws approved by the shareholders of the Company of an Extraordinary General Meeting held on 25 May 2022.

The salient features and other details of the ESOS are disclosed in Note 24(c) to the financial statements.

There were no option granted for the ESOS during the financial year.

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS

The directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Teh Boon Beng	
Datuk Low Chin Koon	
Er Kian Hong	
Wong Pak Yii	(Appointed on 27 March 2026)
Ng Heng Hong	(Appointed on 14 April 2026)
Datuk Keh Chuan Seng	(Resigned on 22 March 2025)
Dr Lim Pang Kiam	(Resigned on 6 April 2026)
Lee Hai Peng	(Resigned on 6 April 2026)

Other than as stated above, the names of the directors of the subsidiaries of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:

Chan Min Wai
Chia Ai Peng
Chi On Kang
Lee Hai Peng
Ravindran P. Jayaprathapan
Yeoh Soo Chin
Yip Wei Lun
Ang Chek Peow

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept by the Company under Section 59 of the Companies Act 2016 in Malaysia, the interests of directors in office at the end of the financial year in shares in the Company and its related corporations during the financial year were as follows:

Interests in the Company

	Number of ordinary shares			
	At 1 January 2025	Bought	Sold	At 31 December 2025
Direct interests:				
Lee Hai Peng	3,000,000	542,700	-	3,542,700
Datuk Low Chin Koon	-	935,000	-	935,000

	Number of Warrants 2022/2029			
	At 1 January 2025 Unit	Alloted Unit	Sold Unit	At 31 December 2025 Unit
Direct interests:				
Lee Hai Peng	1,000,000	-	-	1,000,000

Other than as stated above, none of the other directors in office at the end of the financial year had any interest in ordinary shares or debentures of the Company and its related corporations during the financial year.

DIRECTORS' REPORT

(CONTINUED)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director of the Company has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable, by the directors as shown below) by reason of a contract made by the Company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

The directors' benefits of the Group and of the Company were as follows:

	Group RM	Company RM
Fees	283,458	223,458
Other emoluments	2,010,470	536,741
Defined contribution plan	226,375	57,600
Benefits-in-kind	76,950	31,150
	2,597,253	848,949

Neither during, nor at the end of the financial year, was the Company a party to any arrangements where the object is to enable the directors to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

INDEMNITY TO DIRECTORS AND OFFICERS

During the financial year, the total amount of indemnity insurance coverage and insurance premium paid for the directors and officers of the Company and certain subsidiaries were RM9,000,000 and RM13,865 respectively.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 12 to the financial statements.

SUBSEQUENT EVENT AFTER THE FINANCIAL YEAR

Subsequent events are disclosed in Note 33 to the Financial Statements.

AUDITORS

The auditors, Messrs HLB Ler Lum Chew PLT, have expressed their willingness to continue in office.

This report was approved and signed on behalf of the Board of Directors in accordance with a resolution of the directors.

WONG PAK YII

Director

DATUK LOW CHIN KOON

Director

Date: 15 April 2026



STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year ended 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	5	234,835,897	298,190,635	8,222,838	5,099,280
Cost of sales		(193,438,669)	(253,807,753)	-	-
Gross profit		41,397,228	44,382,882	8,222,838	5,099,280
Other income		5,268,106	11,198,338	4,663,656	10,455,400
Selling and distribution costs		(3,995,749)	(4,960,274)	(292,022)	(270,838)
Administrative costs		(22,502,431)	(22,707,259)	(4,234,094)	(5,410,820)
Net impairment losses on financial assets		(222,129)	(1,811,328)	-	-
Other costs		(6,732,519)	(9,119,194)	(765,364)	(1,174,924)
		(33,452,828)	(38,598,055)	(5,291,480)	(6,856,582)
Operating profit		13,212,506	16,983,165	7,595,014	8,698,098
Finance income		149,238	139,861	187,593	113,965
Finance costs		(7,113,025)	(7,394,709)	(891,503)	(1,025,831)
Share of results of an associate, net of tax	13(a)	1,815,933	514,590	-	-
Profit before tax	6	8,064,652	10,242,907	6,891,104	7,786,232
Tax expense	8	(1,916,030)	(2,262,824)	-	-
Profit after tax, representing total comprehensive income for the financial year		6,148,622	7,980,083	6,891,104	7,786,232
Profit attributable to:					
Owners of the Company		6,085,385	7,719,474	6,891,104	7,786,232
Non-controlling interests		63,237	260,609	-	-
		6,148,622	7,980,083	6,891,104	7,786,232
Earning per share (sen):					
Basic	9	3.12	4.70		
Diluted	9	2.96	4.35		

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM Restated
ASSETS					
Non-current assets					
Property, plant and equipment	10	49,272,823	39,536,338	10,266,938	7,600,987
Intangible asset	11	92,969	688,644	-	-
Investment in subsidiaries	12	-	-	60,031,148	60,031,148
Investment in an associate	13	13,789,235	14,514,590	14,000,000	14,000,000
Deferred tax assets	14	-	803,376	-	-
Total non-current assets		63,155,027	55,542,948	84,298,086	81,632,135
Current assets					
Inventories	15	64,587,820	89,349,428	-	-
Trade receivables	16	72,790,534	100,606,089	3,000	4,500
Other receivables, deposits and prepayments	17	14,945,427	12,885,408	8,855,351	870,671
Contract assets	18	21,455,089	29,844,667	-	-
Contract costs	19	-	-	-	-
Amounts due from subsidiaries	20	-	-	2,801,821	3,256,168
Amounts due from an associate	21	79,873	17,921	18,426	-
Current tax assets		1,848,129	2,339,071	99,016	264,878
Other investments	22	41,473,671	32,585,742	41,398,343	32,512,710
Cash and short-term deposits	23	16,559,995	18,058,390	1,283,414	1,171,458
Total current assets		233,740,538	285,686,716	54,459,371	38,080,385
TOTAL ASSETS		296,895,565	341,229,664	138,757,457	119,712,520

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2025

(CONTINUED)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM Restated
EQUITY AND LIABILITIES					
Equity attributable to owners of the Company					
Share capital	24	118,693,053	106,022,013	118,693,053	106,022,013
Retained earnings/(Accumulated losses)		40,517,529	34,432,144	(57,750)	(6,948,854)
		159,210,582	140,454,157	118,635,303	99,073,159
Non-controlling interests		3,228,305	3,165,068	-	-
TOTAL EQUITY		162,438,887	143,619,225	118,635,303	99,073,159
Non-current liabilities					
Borrowings	25	26,462,760	21,593,770	2,576,229	635,865
Deferred tax liabilities	14	445,773	1,199,044	-	-
Total non-current liabilities		26,908,533	22,792,814	2,576,229	635,865
Current liabilities					
Borrowings	25	68,146,375	123,961,603	12,281,917	9,039,604
Trade payables	26	23,648,364	24,676,499	-	-
Other payables and accruals	27	11,584,321	6,550,681	741,643	1,481,136
Amounts due to subsidiaries	20	-	-	4,522,365	5,582,756
Amounts due to directors	28	-	4,350,000	-	3,900,000
Contract liabilities	18	4,137,495	14,972,301	-	-
Current tax liabilities		31,590	306,541	-	-
Total current liabilities		107,548,145	174,817,625	17,545,925	20,003,496
TOTAL LIABILITIES		134,456,678	197,610,439	20,122,154	20,639,361
TOTAL EQUITY AND LIABILITIES					
LIABILITIES		296,895,565	341,229,664	138,757,457	119,712,520

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2025

	Note	Attributable to owners of the Company			Non-controlling interests RM	Total equity RM
		Share capital RM	Retained earnings RM	Total RM		
Group						
At 1 January 2024		76,644,738	25,446,071	102,090,809	6,971,058	109,061,867
Profit net of tax, representing total comprehensive income for the financial year		-	7,719,474	7,719,474	260,609	7,980,083
Transaction with owners						
Issue of ordinary shares	24	29,377,275	-	29,377,275	-	29,377,275
Non-controlling interests arising from acquisition of a subsidiary		-	-	-	(4,066,599)	(4,066,599)
Changes in ownership interests in a subsidiary		-	1,266,599	1,266,599	-	1,266,599
At 31 December 2024/1 January 2025						
		106,022,013	34,432,144	140,454,157	3,165,068	143,619,225
Profit net of tax, representing total comprehensive income for the financial year		-	6,085,385	6,085,385	63,237	6,148,622
Transactions with owners						
Issue of ordinary shares	24	12,671,040	-	12,671,040	-	12,671,040
At 31 December 2025		118,693,053	40,517,529	159,210,582	3,228,305	162,438,887

	Note	Attributable to owners of the Company		
		Share capital RM	Accumulated losses RM	Total equity RM
Company				
At 1 January 2024		76,644,738	(14,735,086)	61,909,652
Profit after tax, representing total comprehensive income financial year		-	7,786,232	7,786,232
Transaction with owners				
Issue of ordinary shares	24	29,377,275	-	29,377,275
At 31 December 2024/1 January 2025		106,022,013	(6,948,854)	99,073,159
Profit after tax, representing total comprehensive income for the financial year		-	6,891,104	6,891,104
Transaction with owners				
Issue of ordinary shares	24	12,671,040	-	12,671,040
At 31 December 2025		118,693,053	(57,750)	118,635,303

The accompanying notes form an integral part of these financial statements.



STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from operating activities					
Profit before tax		8,064,652	10,242,907	6,891,104	7,786,232
Adjustments for:					
Amortisation of intangible asset	11	595,675	1,181,771	-	-
Bad debts recovered		(10,000)	(52,380)	-	-
Contract assets written off		-	652,369	-	-
Depreciation of property, plant and equipment	10	5,671,561	3,617,631	301,511	543,696
Dividend income from other investments		(485,406)	(491,552)	(485,406)	(490,845)
Dividend income from an associate		-	-	(2,541,288)	-
Dividend income from subsidiaries		-	-	(1,700,000)	(750,000)
Gain on disposal of property, plant and equipment		(120,722)	(241,720)	(50,398)	-
Gain on termination of lease		(844)	(12,957)	-	-
Impairment loss on trade receivables	16(b)	258,054	343,735	-	-
Investments in quoted equity securities					
- Fair value gain		(323,895)	(9,775,630)	(323,895)	(9,775,630)
- (Gain)/Loss on disposal		(3,663,098)	159,200	(3,663,098)	159,200
Impairment loss on contract assets		-	1,934,835	-	-
Inventories written down	15(b)	48,006	2,161,028	-	-
Property, plant and equipment written off		189,546	42,704	-	-
Reversal of impairment loss on trade receivables	16(b)	(35,925)	(467,242)	-	-
Reversal of inventories written down	15(c)	(51,793)	(61,422)	-	-
Finance cost		7,113,025	7,394,709	891,503	1,025,831
Finance income		(149,238)	(139,861)	(187,593)	(113,965)
Share of results of an associate	13(a)	(1,815,933)	(514,590)	-	-
Unrealised gain on foreign exchange		-	526	-	-
Operating profit/(loss) before changes in working capital, carried forward		15,283,665	15,974,061	(867,560)	(1,615,481)
<u>Changes in working capital:</u>					
Inventories		24,765,395	(20,056,723)	-	-
Trade and other receivables		28,084,695	(11,724,235)	(4,941,892)	2,170,463
Trade and other payables		4,005,505	7,965,748	(739,493)	905,699
Contract assets		8,389,578	(7,809,726)	-	-
Contract costs		-	5,616,747	-	-
Contract liabilities		(10,834,806)	(4,967,120)	-	-
Amount due from an associate		(61,952)	(17,921)	(18,426)	-
Net cash generated from/(used in) operations		69,632,080	(15,019,169)	(6,567,371)	1,460,681
Tax paid		(2,348,346)	(2,202,302)	-	(43,344)
Tax refunded		698,412	21,425	165,862	-
Net cash generated from/(used in) operating activities		67,982,146	(17,200,046)	(6,401,509)	1,417,337

STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2025

(CONTINUED)

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Cash flows from investing activities					
Purchase of property, plant and equipment	10	(5,875,813)	(3,341,514)	(2,967,464)	(1,656,906)
Proceeds from disposal of property, plant and equipment		136,240	306,353	50,400	26,328
Acquisition of additional interests in subsidiaries		-	(2,800,000)	-	(2,800,000)
Net purchase of other investments		(4,900,936)	(5,449,910)	(4,898,640)	(5,448,735)
(Placement)/Withdrawal of deposits with licensed banks		(103,050)	178,184	(15,000)	(13,529)
Acquisition of interest in an associate		-	(14,000,000)	-	(14,000,000)
Dividend received from other investments		485,406	491,552	485,406	490,845
Dividend received from subsidiaries		-	-	1,200,000	750,000
Interest received		149,238	139,861	187,593	113,965
Net cash used in investing activities		(10,108,915)	(24,475,474)	(5,957,705)	(22,538,032)
Cash flows from financing activities					
Proceeds from issuance of ordinary shares		12,671,040	29,377,275	12,671,040	29,377,275
Net (repayment)/proceeds from bankers' acceptances	23(c)	(60,411,041)	21,415,823	-	-
Drawdown of term loans	23(c)	2,069,788	571,283	2,069,788	571,283
Repayment of term loans	23(c)	(937,749)	(890,163)	-	-
Net drawdown of margin facilities	23(c)	3,175,431	2,360,953	3,175,431	2,360,953
Net (repayment)/drawdown of revolving credits	23(c)	(150,914)	550	-	-
Repayment of hire purchase payables	23(c)	(1,484,226)	(914,382)	(39,094)	(37,464)
Payment of lease liabilities	23(c)	(1,998,669)	(848,030)	(23,448)	(187,349)
Repayment to subsidiaries		-	-	(606,044)	(5,112,163)
Repayment to directors		(4,350,000)	(4,500,000)	(3,900,000)	(4,500,000)
Interest paid		(7,113,025)	(7,394,709)	(891,503)	(1,025,831)
Net cash (used in)/generated from financing activities		(58,529,365)	39,178,600	12,456,170	21,446,704
Net (decrease)/increase in cash and cash equivalents		(656,134)	(2,496,920)	96,956	326,009
Cash and cash equivalents at the beginning of the financial year		11,873,601	14,370,448	661,324	335,315
Effect of exchange rate changes on cash and cash equivalents		-	73	-	-
Cash and cash equivalents at the end of the financial year	23	11,217,467	11,873,601	758,280	661,324

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

K. Seng Seng Corporation Berhad (“the Company”) is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Company is located at Unit 8, Level 7, Kompleks Komersil Akasa, Jalan Akasa, Akasa Cheras Selatan, 43300 Seri Kembangan, Selangor. The principal place of business of the Company is located at Lot 3707, Jalan 7/5, Taman Industri Selesa Jaya, 43300 Balakong, Selangor Darul Ehsan.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associate are disclosed in Notes 12 and 13 respectively. There have been no significant changes in the nature of these activities during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 15 April 2026.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), the International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

2.2 Adoption of amendments to MFRSs

The Group and the Company have adopted the following applicable amendments to MFRSs for the current financial year:

MFRS 121 The Effects of Changes in Foreign Exchange Rates
(Lack of Exchangeability)

The above amendments to MFRSs effective during the financial year do not have any significant impact to the financial results and position of the Group and of the Company.

2.3 New MFRSs and amendments to MFRSs that have been issued, but yet to be effective

The Group and the Company have not adopted the following new MFRSs and amendments to MFRSs that have been issued, but yet to be effective:

		Effective for financial periods beginning on or after
<u>New MFRSs</u>		
MFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
<u>Amendments to MFRSs</u>		
MFRS 7 and 9	Classification and Measurement of Financial Statements	1 January 2026
MFRS 7 and 9	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards		
– Volume II:- 1 January 2026		
• MFRS 1	First-time Adoption of Malaysian Financial Reporting Standards	
• MFRS 7	Financial Instruments: Disclosures	
• MFRS 9	Financial Instruments	
• MFRS 10	Consolidated Financial Statements	
• MFRS 107	Statement of Cash Flows	
MFRS 121	The Effect of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency	1 January 2027
MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the new MFRSs and amendments to MFRSs are not expected to have any significant impact to the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

2. BASIS OF PREPARATION (CONTINUED)

2.4 Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which they operate ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency, unless otherwise stated.

2.5 Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost basis, except as otherwise disclosed.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Unless otherwise stated, the following material accounting policy information have been applied consistently to all the financial years presented in the financial statements of the Group and of the Company.

3.1 Basis of consolidation

(a) Subsidiaries and business combination

The Group applies the acquisition method to account for business combinations from the acquisition date when the acquired set of activities meets the definition of a business and control is transferred to the Group. The Group shall determine whether a transaction or other event is a business combination, which requires that the assets acquired and liabilities assumed constitute a business. If the assets acquired are not a business, the Group shall account for the transaction or other event as an asset acquisition.

(b) Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

(c) Associate

Investment in associate is accounted for in the consolidated financial statements of the Group using the equity method.

3.2 Separate financial statements

In the Company's statement of financial position, investment in subsidiaries and associate are measured at cost less any accumulated impairment losses.

Contributions to subsidiaries are amounts for which the settlement is neither planned nor likely to occur in the foreseeable future is, in substance, considered as part of the Company's investment in the subsidiaries.

3.3 Revenue and other income

Financing components

The Group and the Company have applied the practical expedient for not to adjust the promised amount of consideration for the effects of a significant financing components as the Group and the Company expect that the period between the transfer of the promised goods or services to the customer and payment by the customer will be one year or less.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**3.3 Revenue and other income (Continued)****(a) Sale of goods and services rendered**

The Group manufactures and trades a range of stainless steel products and all kind of industrial hardware. Revenue from sale of goods is recognised at a point in time when control of the products has been transferred, being when the customer accepts the delivery of the goods.

Revenue from cutting services is recognised as and when services are rendered.

Sales are made with a credit term range from 14 to 150 days, which is consistent with market practice, therefore, no element of financing is deemed present.

(b) Engineering works contracts

The Group constructs rubber glove dipping lines under long-term contracts with customers. Engineering works contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the works performed is transferred over time as the Group create or enhance an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the proportion of engineering costs incurred for work performed to date bear to the estimated total engineering costs (an input method).

Billings are made with a credit term of 30 to 150 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group become entitled to invoice customers for engineering works based on achieving a series of performance-related milestones.

The Group recognise a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognise a contract liability for the difference.

Revenue from sales of rubber glove dipping line is recognised at a point in time when the control of goods is transferred to customers, generally on the hand over of goods.

Revenue from sale of aluminium, glass and steel related products is recognised at a point in time when the control of goods is transferred to customers, generally on the delivery of goods.

(c) Project works contracts

The Group supplies and installs aluminium, glass and steel related products under long-term contracts with customers. Project works contracts comprise multiple deliverables that require significant integration service and therefore accounted as a single performance obligation.

Under the terms of the contracts, control of the works performed is transferred over time as the Group create or enhance an asset that the customer controls as the asset is created or enhanced. The progress towards complete satisfaction of a performance obligation is determined by the proportion of project costs incurred for work performed to date bear to the estimated total project costs (an input method).

Billings are made with a credit term of 30 to 60 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group become entitled to invoice customers for project works based on achieving a series of performance-related milestones.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 Revenue and other income (Continued)

(c) Project works contracts (Continued)

The Group recognise a contract asset for any excess of revenue recognised to date over the billings-to-date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point when invoice is issued or timing for billing is due to passage of time. If the milestone billing exceeds the revenue recognised to date and any deposit or advances received from customers then the Group recognise a contract liability for the difference.

Defect liability period is usually 12 to 36 months from the date of Certificate of Practical Completion as provided in the contracts with customers.

(d) Rental income

Rental income from properties and motor vehicles is recognised on a straight-line basis over the term of the lease.

(e) Interest income

Interest income is recognised on an accrual basis using the effective interest method.

(f) Management fee

Revenue from management fee is recognised over time as the services are rendered because the customer receives and uses the benefits simultaneously.

3.4 Financial instruments

Financial assets - subsequent measurement and gains and losses

Financial assets at fair value through profit or loss

The Group and the Company subsequently measure these assets at fair value. Net gains and losses, including any interest and dividend income, are recognised in profit or loss.

Debt instruments at amortised cost

The Group and the Company subsequently measure these assets at amortised cost under the effective interest method. The gross carrying amount is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities – subsequent measurement and gains and losses

The Group and the Company classify the financial liabilities at amortised cost or fair value through profit or loss. Financial liabilities are classified as fair value through profit or loss if it is classified as held for trading, it is a derivative, it is contingent consideration of an acquirer in a business combination or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

The Group and the Company subsequently measure other financial liabilities at amortised cost under the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.



NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)**3.5 Property, plant and equipment**

Property, plant and equipment, other than land and building and right-of-use assets, are measured at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Long term leasehold land is depreciated over the lease term of 92 years. Building under construction included in property, plant and equipment are not depreciated as these assets are not yet available for use.

All other property, plant and equipment are depreciated on straight-line basis by allocating their depreciable amounts over their remaining useful lives (other than right-of-use assets as disclosed in Note 3.6).

	Useful lives (years)
Buildings	50 years
Electrical installation	2 years
Plant and machinery and factory equipment	5-10 years
Electrical equipment, furniture and fittings and office equipment	5-10 years
Motor vehicles	5-10 years
Computers	2 years
Renovation	2 years

3.6 Leases**(a) Lessee accounting**

The Group and the Company present right-of-use assets that do not meet the definition of investment property as property, plant and equipment in Note 10 and its corresponding lease liabilities as borrowings under Note 25.

Short-term leases and leases of low value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. Accordingly, the Group and the Company recognise the lease payments as an operating expense on a straight-line basis over the term of the lease.

Right-of-use assets

The right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The right-of-use assets are depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the incremental borrowing rate.

The Group and the Company have elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

(b) Lessor accounting

The Group recognises lease payments received from properties and motor vehicles under operating leases as income on a straight-line basis over the lease term as part of revenue. Rental income from sublease properties which recognise as other income.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 Intangible asset

Intangible asset, other than goodwill and licenses, that are acquired by the Group, which have finite useful lives, are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is recognised on a straight-line basis over the estimated useful lives of 3 years.

3.8 Inventories

Inventories are measured at the lower of cost and net realisable value as follows:

- Raw materials, consumables, packing materials, stock in transit and trading goods: purchase costs including costs incurred in bringing the inventories to their present location and condition on a weighted average cost basis.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. These costs are assigned on a weighted average cost basis.

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with MFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of the revenue and expenses during the reporting period. It also requires directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the directors' best knowledge of current events and actions, actual results may differ.

The areas involving a higher degree of judgement or complexity that have the most significant effect on the Group's and the Company's financial statements, or areas where assumptions and estimates that have a significant risk of resulting in a material adjustment to the Group's and the Company's financial statements within the next financial year are disclosed as follows:

4.1 Write-down of obsolete or slow-moving inventories

Inventories are stated at the lower of cost and net realisable value. Reviews are made periodically by the Group on damaged and slow-moving inventories. These reviews require judgement and estimates. In determining the net realisable value of the inventories, an estimation of the recoverable amount of inventories on hand is performed by the Group based on the most reliable evidence available at the time the estimates are made. These estimates take into consideration the latest selling price or replacement cost, nature of the inventories and other relevant factors such as supply and demand of the identified inventories. Possible changes in these estimates could result in revisions to the valuation of inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

The carrying amounts of the Group's inventories are disclosed in Note 15.

4.2 Impairment of financial assets and contract assets

The impairment provisions for financial assets and contract assets are based on assumptions about risk of default and expected loss rate. The Group and the Company use judgement in making these assumptions and selecting inputs to the impairment calculation, based on the Group's and the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The assessment of the correlation between historical observed default rates, forward-looking estimates and expected credit losses is a significant estimate. The amount of expected credit losses is sensitive to changes in circumstances and forecast of economic conditions over the expected lives of the financial assets and contract assets. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the impairment losses on the Group's and the Company's financial assets and contract assets are disclosed in Note 30(b)(i).

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

4. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONTINUED)**4.3 Project works revenue**

The Group recognised project works revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that project costs incurred for work performed to date bear to the estimated total project costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the project costs incurred, the estimated total project revenue and costs, as well as the recoverability of the projects. In making the judgement, the Group evaluate based on past experience.

The revenue recognised for project works during the year is disclosed in Note 5.

4.4 Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. When such indicators exist, recoverable amounts of the cash-generating unit are determined based on the value-in-use calculation. These calculations require the estimation of the expected future cash flows from the cash generating unit and a suitable discount rate is applied in order to calculate the present value of those cash flows.

The information about the impairment assessment is disclosed in Note 10(c).

5. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contract customers:				
Sale of goods and services rendered	151,528,222	196,329,547	-	-
Engineering works	2,756,622	2,549,239	-	-
Project works	80,487,253	99,281,849	-	-
Management fee	32,000	-	2,570,470	2,940,000
	234,804,097	298,160,635	2,570,470	2,940,000
Revenue from other sources:				
Dividend income from subsidiaries	-	-	1,700,000	750,000
Dividend income from an associate	-	-	2,541,288	-
Rental income	31,800	30,000	1,411,080	1,409,280
	234,835,897	298,190,635	8,222,838	5,099,280

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

5. REVENUE (CONTINUED)

(a) Disaggregation of revenue

The Group report the following major segments: stainless steel and metal related, marine hardware and consumable, other industrial hardware, investment holding and engineering works in accordance with MFRS 8 Operating Segments. For the purpose of disclosure for disaggregation of revenue, it disaggregates revenue into primary geographical markets and timing of revenue recognition (i.e. goods transferred at a point in time or services transferred over time).

	Stainless steel and metal related products RM	Marine hardware and consumable RM	Other industrial hardware RM	Investment holding RM	Engineering and project works RM	Total RM
Group 2025						
<i>Primary geographical markets:</i>						
Local	102,204,125	21,171,076	22,424,022	32,000	83,243,875	229,075,098
Overseas	5,632,062	-	96,937	-	-	5,728,999
	107,836,187	21,171,076	22,520,959	32,000	83,243,875	234,804,097
<i>Timing of revenue recognition:</i>						
At a point in time	107,836,187	21,171,076	22,520,959	-	2,756,622	154,284,844
Over time	-	-	-	32,000	80,487,253	80,519,253
	107,836,187	21,171,076	22,520,959	32,000	83,243,875	234,804,097

	Stainless steel and metal related products RM	Marine hardware and consumable RM	Other industrial hardware RM	Engineering and project works RM	Total RM
Group 2024					
<i>Primary geographical markets:</i>					
Local	141,117,541	22,311,841	27,770,660	98,099,389	289,299,431
Overseas	5,129,505	-	-	3,731,699	8,861,204
	146,247,046	22,311,841	27,770,660	101,831,088	298,160,635
<i>Timing of revenue recognition:</i>					
At a point in time	146,247,046	22,311,841	27,770,660	2,549,239	198,878,786
Over time	-	-	-	99,281,849	99,281,849
	146,247,046	22,311,841	27,770,660	101,831,088	298,160,635

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

5. REVENUE (CONTINUED)

(a) Disaggregation of revenue (Continued)

	2025 RM	2024 RM
Company		
<i>Timing of revenue recognition:</i>		
Over time	2,570,470	2,940,000

(b) Transaction price allocated to the remaining performance obligations

As of 31 December 2025, the aggregate amount of the transaction price allocated to the remaining performance obligations is RM141,162,750 (2024: RM125,365,571) and the Group will recognise this revenue as the engineering works or project works are completed, which is expected to occur over the next one to three years (2024: one to three years).

The Group and the Company apply the practical expedient in paragraph 121(a) of MFRS 15 and do not disclose information about remaining performance obligations that have original expected durations of one year or less.

6. PROFIT BEFORE TAX

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration				
- Statutory audit:				
- HLB Ler Lum Chew PLT	300,000	-	60,000	-
- other auditors	-	314,250	-	90,000
- Other services:				
- HLB Ler Lum Chew PLT	5,000	-	5,000	-
- other auditors	-	5,000	-	5,000
Amortisation of intangible asset	595,675	1,181,771	-	-
Bad debts recovered	(10,000)	(52,380)	-	-
Depreciation of property, plant and equipment	5,671,561	3,617,631	301,511	543,696
Dividend income from other investments	(485,406)	(491,552)	(485,406)	(490,845)
Contract assets written off	-	652,369	-	-
Expense relating to short-term leases:				
- Buildings and hostels	384,912	892,314	190,964	-
- Plant and machinery	-	5,050	-	-
- Motor vehicles	6,081	-	124,800	122,750
Employee benefits expense (including key management personnel)				
- Salaries, allowances and bonuses	20,974,945	21,969,131	2,712,000	3,163,659
- Defined contribution plans	1,960,655	2,082,934	297,413	352,582
- Other employee benefits	478,592	1,530,575	28,284	93,774
Gain on termination of lease	(844)	(12,957)	-	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

6. PROFIT BEFORE TAX (CONTINUED)

Other than disclosed elsewhere in the financial statements, the following items have been charged/(credited) in arriving at profit before tax (Continued):

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Gain on disposal of property, plant and equipment	(120,722)	(241,720)	(50,398)	-
Impairment losses on trade receivables	258,054	343,735	-	-
Impairment loss on contract assets	-	1,934,835	-	-
Inventories written down	48,006	2,161,028	-	-
Interest expense in respect of:				
- Bankers' acceptances	4,566,323	5,166,801	-	-
- Bank overdraft	255,549	345,855	-	-
- Hire purchase payables	402,980	114,300	3,446	5,075
- Lease liabilities	134,612	54,602	31	4,863
- Term loans	932,965	947,973	50,287	1,478
- Revolving credits	146,124	229,066	-	-
- Margin interests	622,419	434,193	622,419	434,193
- Subsidiaries	-	-	215,320	517,335
- Others	52,053	101,919	-	62,887
Investment in quoted equity securities				
- (Gain)/Loss on disposal	(3,663,098)	159,200	(3,663,098)	159,200
- Fair value gain	(323,895)	(9,775,630)	(323,895)	(9,775,630)
Interest income on:				
- Deposits with licensed banks	(149,238)	(139,861)	(27,946)	(14,047)
- Subsidiaries	-	-	(159,647)	(99,918)
Loss/(Gain) on foreign exchange:				
- Realised	14,636	(11,311)	-	-
- Unrealised	-	526	-	-
Property, plant and equipment written off	189,546	42,704	-	-
Reversal of impairment loss on trade receivables	(35,925)	(467,242)	-	-
Reversal of inventories written down	(51,793)	(61,422)	-	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

7. DIRECTORS' REMUNERATION

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company				
Executive directors				
- Fees	-	-	-	-
- Other emoluments	481,741	812,435	481,741	812,435
- Defined contribution plan	57,600	97,200	57,600	97,200
- Benefits-in-kind	31,150	31,150	31,150	31,150
	570,491	940,785	570,491	940,785
Non-executive directors				
- Fees	223,458	220,000	223,458	220,000
- Other emoluments	55,000	20,000	55,000	20,000
	278,458	240,000	278,458	240,000
Directors of subsidiaries				
Executive directors				
- Fees	60,000	68,000	-	-
- Other emoluments	1,473,729	1,504,804	-	-
- Defined contribution plan	168,775	185,774	-	-
- Benefits-in-kind	45,800	49,648	-	-
	1,748,304	1,808,226	-	-
Total directors' remuneration	2,597,253	2,989,011	848,949	1,180,785

8. TAX EXPENSE

The major components of tax expense for the financial years ended 31 December 2025 and 31 December 2024 are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax:				
- Current year	2,028,301	2,545,302	-	-
- Adjustment in respect of prior years	(162,376)	(85,625)	-	-
	1,865,925	2,459,677	-	-
Deferred tax (Note 14):				
- Origination of temporary differences	(157,382)	267,895	-	-
- Adjustment in respect of prior years	207,487	(464,748)	-	-
	50,105	(196,853)	-	-
Taxation for the financial year	1,916,030	2,262,824	-	-

Domestic income tax is calculated at the Malaysian statutory income tax rate of 24% (2024: 24%) of the estimated assessable profit for the financial year.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

8. TAX EXPENSE (CONTINUED)

The reconciliations from the tax amount at the statutory income tax rate to the Group's and the Company's tax expense are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	8,064,652	10,242,907	6,891,104	7,786,232
Tax at Malaysian statutory income tax rate of 24%	1,935,516	2,458,298	1,653,865	1,868,696
Share of results of an associate	(435,824)	(123,502)	-	-
<u>Adjustments:</u>				
Non-taxable income	(1,073,376)	(2,390,233)	(2,091,285)	(2,529,943)
Non-deductible expenses	319,451	953,515	54,007	375,482
Utilisation of previous unrecognised deferred taxation	(397)	-	-	-
Deferred tax assets not recognised	1,125,549	1,915,119	383,413	285,765
Adjustment in respect of prior years:				
- current tax	(162,376)	(85,625)	-	-
- deferred tax	207,487	(464,748)	-	-
Taxation for the financial year	1,916,030	2,262,824	-	-

9. EARNING PER SHARE

Basic earning per ordinary share

Basic earning per share are based on the profit for the financial year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding during the financial year, calculated as follows:

	Group	
	2025 RM	2024 RM
Profit attributable to owners of the Company	6,085,385	7,719,474

	2025 Unit	2024 Unit
Weighted average number of ordinary shares for basic earning per share	195,036,608	164,174,050

	2025 Sen	2024 Sen
Basic earning per ordinary share	3.12	4.70



NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

9. EARNING PER SHARE (CONTINUED)

Diluted earning per ordinary share

Diluted earning per share are based on the profit for the financial year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, calculated as follows:

	Group	
	2025 RM	2024 RM
Profit attributable to owners of the Company	6,085,385	7,719,474

	Group	
	2025 Unit	2024 Unit
Weighted average number of ordinary share in issue	195,036,608	164,174,050
Effect of dilution from:		
- dilution of warrants	10,267,405	13,388,507
Weighted average number of ordinary shares for diluted earning per share	205,304,013	177,562,557

	2025 Sen	2024 Sen
Diluted earning per ordinary share	2.96	4.35

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Electrical installation RM	Plant and machinery and factory equipment RM	Building under construction RM	Electrical equipment, furniture and fittings and office equipment RM	Motor vehicles RM	Computers RM	Renovation RM	Right-of- use assets RM	Total RM
Group											
Cost											
At 1 January 2024	8,437,385	20,779,704	402,698	16,885,620	-	934,564	5,249,014	629,664	1,048,377	3,934,676	58,301,702
Additions	-	-	137,026	1,528,608	1,623,505	71,743	356,589	74,779	635,864	1,397,949	5,826,063
Disposals	-	-	-	(644,992)	-	-	(424,148)	-	-	-	(1,069,140)
Written off	-	-	(17,000)	(9,504)	-	(12,995)	-	(1,084)	(169,527)	-	(210,110)
Derecognition of lease	-	-	-	-	-	-	-	-	-	(333,478)	(333,478)
Termination of lease	-	-	-	-	-	-	-	-	-	(1,081,138)	(1,081,138)
Remeasurement of lease	-	-	-	-	-	-	-	-	-	56,565	56,565
At 1 January 2025	8,437,385	20,779,704	522,724	17,759,732	1,623,505	993,312	5,181,455	703,359	1,514,714	3,974,574	61,490,464
Additions	-	-	963,280	7,193,220	2,934,774	56,874	1,313,569	59,656	111,100	2,996,887	15,629,360
Disposals	-	-	-	(108,612)	-	-	(77,123)	-	-	-	(185,735)
Written off	-	-	(223,810)	(7,700)	-	(25,989)	-	(22,066)	-	-	(279,565)
Derecognition of lease	-	-	-	-	-	-	-	-	-	(560,937)	(560,937)
At 31 December 2025	8,437,385	20,779,704	1,262,194	24,836,640	4,558,279	1,024,197	6,417,901	740,949	1,625,814	6,410,524	76,093,587

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Buildings RM	Electrical installation RM	Plant and machinery and factory equipment RM	Building under construction RM	Electrical equipment, fittings and office equipment RM	Motor vehicles RM	Computers RM	Renovation RM	Right-of-use assets RM	Total RM
Group (Continued)											
Accumulated depreciation											
At 1 January 2024	-	2,901,144	29,457	12,101,957	-	357,113	3,237,677	529,218	579,631	847,899	20,584,096
Charge for the financial year	-	415,661	49,307	1,043,252	-	140,109	636,700	87,652	387,847	857,103	3,617,631
Disposals	-	-	-	(644,991)	-	-	(359,516)	-	-	-	(1,004,507)
Written off	-	-	(4,573)	(9,502)	-	(5,866)	-	(1,080)	(146,385)	-	(167,406)
Derecognition of lease	-	-	-	-	-	-	-	-	-	(333,478)	(333,478)
Termination of lease	-	-	-	-	-	-	-	-	-	(742,210)	(742,210)
At 1 January 2025	-	3,316,805	74,191	12,490,716	-	491,356	3,514,861	615,790	821,093	629,314	21,954,126
Charge for the financial year	-	496,653	57,036	1,622,294	-	146,289	797,674	81,164	405,755	2,064,696	5,671,561
Disposals	-	-	-	(93,099)	-	-	(77,118)	-	-	-	(170,217)
Written off	-	-	(36,773)	(5,619)	-	(25,568)	-	(22,059)	-	-	(90,019)
Derecognition of lease	-	-	-	-	-	-	-	-	-	(544,687)	(544,687)
At 31 December 2025	-	3,813,458	94,454	14,014,292	-	612,077	4,235,417	674,895	1,226,848	2,149,323	26,820,764
Carrying amount											
At 31 December 2024	8,437,385	17,462,899	448,533	5,269,016	1,623,505	501,956	1,666,594	87,569	693,621	3,345,260	39,536,338
At 31 December 2025	8,437,385	16,966,246	1,167,740	10,822,348	4,558,279	412,120	2,182,484	66,054	398,966	4,261,201	49,272,823

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Company	Freehold land RM	Buildings RM	Plant and machinery and factory equipment RM	Building under construction RM	Electrical equipment, furniture and fittings and office equipment RM	Motor vehicle RM	Computers RM	Renovation RM	Right-of-use assets RM	Total RM
Cost										
At 1 January 2024	1,981,721	6,333,121	289,939	-	541,892	233,020	307,709	436,860	474,522	10,598,784
Additions	-	-	-	1,623,505	1,950	2	31,449	-	-	1,656,906
Disposals	-	-	(289,525)	-	-	-	-	-	-	(289,525)
Remeasurement of lease	-	-	-	-	-	-	-	-	26,306	26,306
At 1 January 2025	1,981,721	6,333,121	414	1,623,505	543,842	233,022	339,158	436,860	500,828	11,992,471
Additions	-	-	-	2,954,804	12,660	-	-	-	-	2,967,464
Disposals	-	-	-	-	-	(2)	-	-	-	(2)
Derecognition of lease	-	-	-	-	-	-	-	-	(500,828)	(500,828)
At 31 December 2025	1,981,721	6,333,121	414	4,578,309	556,502	233,020	339,158	436,860	-	14,459,105
Accumulated depreciation										
At 1 January 2024	-	2,630,457	261,660	-	187,468	105,197	276,373	346,663	303,167	4,110,985
Charge for the financial year	-	126,662	1,950	-	78,793	46,604	33,062	87,345	169,280	543,696
Disposals	-	-	(263,197)	-	-	-	-	-	-	(263,197)
At 1 January 2025	-	2,757,119	413	-	266,261	151,801	309,435	434,008	472,447	4,391,484
Charge for the financial year	-	126,663	-	-	77,630	46,604	19,402	2,831	28,381	301,511
Derecognition of lease	-	-	-	-	-	-	-	-	(500,828)	(500,828)
At 31 December 2025	-	2,883,782	413	-	343,891	198,405	328,837	436,839	-	4,192,167
Carrying amount										
At 31 December 2024	1,981,721	3,576,002	1	1,623,505	277,581	81,221	29,723	2,852	28,381	7,600,987
At 31 December 2025	1,981,721	3,449,339	1	4,578,309	212,611	34,615	10,321	21	-	10,266,938

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

During the financial year, the Group and the Company acquired property, plant and equipment with aggregate cost of RM15,629,360 (2024: RM5,856,063) and RM2,967,464 (2024: RM1,656,906) which are satisfied as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Cash payments	5,875,813	3,341,514	2,967,464	1,656,906
Hire purchase arrangement	6,756,660	1,086,600	-	-
Lease arrangement	2,996,887	1,397,949	-	-
	15,629,360	5,826,063	2,967,464	1,656,906

(a) Assets pledged as security

The carrying amount of property, plant and equipment which have been pledged as security to secure borrowings of the Group and of the Company as disclosed in Note 25 are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Freehold land	8,437,385	8,437,385	1,981,721	1,981,721
Leasehold land	2,236,522	2,261,913	-	-
Buildings	16,966,246	17,462,899	3,449,339	3,576,002
	27,640,153	28,162,197	5,431,060	5,557,723

The carrying amount of property, plant and equipment which have been pledged as security for hire purchase arrangement as disclosed in Note 25(c) are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Plant and machinery	5,987,988	742,500	-	-
Motor vehicles	1,994,144	1,363,272	32,651	78,495
	7,982,132	2,105,772	32,651	78,495

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets

The Group and the Company lease several assets including leasehold land and buildings. Information about leases for which the Group and the Company are lessees is presented below:

	Leasehold land RM	Buildings RM	Total RM
Group			
Cost			
At 1 January 2024	2,295,768	1,638,908	3,934,676
Additions	-	1,397,949	1,397,949
Derecognition of lease	-	(333,478)	(333,478)
Termination of lease	-	(1,081,138)	(1,081,138)
Remeasurement of lease	-	56,565	56,565
At 1 January 2025	2,295,768	1,678,806	3,974,574
Additions	-	2,996,887	2,996,887
Derecognition of lease	-	(500,828)	(500,828)
Termination of lease	-	(60,109)	(60,109)
At 31 December 2025	2,295,768	4,114,756	6,410,524
Accumulated depreciation			
At 1 January 2024	8,463	839,436	847,899
Charge for the financial year	25,392	831,711	857,103
Derecognition of lease	-	(333,478)	(333,478)
Termination of lease	-	(742,210)	(742,210)
At 1 January 2025	33,855	595,459	629,314
Charge for the financial year	25,391	2,039,305	2,064,696
Derecognition of lease	-	(500,828)	(500,828)
Termination of lease	-	(43,859)	(43,859)
At 31 December 2025	59,246	2,090,077	2,149,323
Carrying amount			
At 31 December 2024	2,261,913	1,083,347	3,345,260
At 31 December 2025	2,236,522	2,024,679	4,261,201

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

(b) Right-of-use assets (Continued)

	Buildings RM	Total RM
Company		
Cost		
At 1 January 2024	474,522	474,522
Remeasurement of lease	26,306	26,306
At 1 January 2025	500,828	500,828
Derecognition of lease	(500,828)	(500,828)
At 31 December 2025	-	-
Accumulated depreciation		
At 1 January 2024	303,167	303,167
Charge for the financial year	169,280	169,280
At 1 January 2025	472,447	472,447
Charge for the financial year	28,381	28,381
Derecognition of lease	(500,828)	(500,828)
At 31 December 2025	-	-
Carrying amount		
At 31 December 2024	28,381	28,381
At 31 December 2025	-	-

(a) The Group and the Company leases land and buildings as its office, factory, warehouse and staff hostels. The leases generally have lease terms between 2 to 90 years (2024: 2 to 91 years). The leases include renewal option for additional terms of 1 to 2 years (2024: 2 years) upon expiry of the initial term.

(c) As at 31 December 2025, K Seng Seng Aluminium Sdn. Bhd. ("KSSA"), a subsidiary of the Group, held plant and machinery and electrical installations with a carrying amount of RM6,818,393. KSSA recorded a gross loss of RM205,576 during the financial year, which management considered an indicator of impairment.

Accordingly, the Group performed an impairment assessment on the plant and machinery and electrical installations, which are assessed together as a single cash-generating unit ("CGU") representing the aluminium manufacturing operations of KSSA.

The recoverable amount of the CGU was determined based on value-in-use ("VIU"), using cash flow projections derived from financial budgets approved by management covering a five-year period. Based on this assessment, the recoverable amount of the CGU exceeded its carrying amount, and accordingly, no impairment loss was recognised during the financial year.

The key assumptions used for the value-in-use calculations are as follows:

	2025
Gross profit margin	4.2% to 10%
Annual revenue growth rate	5%
Terminal growth rate	0%
Pre-tax discount rate	12%

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

10. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (c) These assumptions are based on management's business plans, taking into consideration the Group's early stage of operations, expected production capacity and anticipated customer demand. Revenue growth reflects projected sales volumes from existing and pipeline customers, while gross profit margins are based on expected cost structures and operational efficiency as production stabilises. A terminal growth rate of 0% is applied to reflect uncertainty in long-term growth beyond the forecast period.

The pre-tax discount rate is derived with reference to the weighted average cost of capital of comparable companies within the same industry, adjusted for risks specific to the CGU.

Management has assessed the sensitivity of the value-in-use calculations to changes in key assumptions and concluded that no reasonably possible change in these assumptions would cause the carrying amount of the CGU to exceed its recoverable amount.

11. INTANGIBLE ASSET

	Note	Fair value of contracts RM	Total RM
Group			
Cost			
At 1 January 2024/31 December 2024/ At 1 January 2025/ 31 December 2025		2,305,596	2,305,596
Accumulated amortisation			
At 1 January 2024		435,181	435,181
Amortisation charge for the financial year	6	1,181,771	1,181,771
At 1 January 2025		1,616,952	1,616,952
Amortisation charge for the financial year	6	595,675	595,675
At 31 December 2025		2,212,627	2,212,627
Carrying amount			
At 31 December 2025		92,969	92,969
At 31 December 2024		688,644	688,644

(a) Amortisation

The amortisation of fair value of balance contracts in relation to project works of the Group amounting to RM595,675 (2024: RM1,181,771) is included in other costs.



NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

12 INVESTMENTS IN SUBSIDIARIES

	Note	Company	
		2025 RM	2024 RM
Unquoted shares, at cost:			
At 1 January		61,391,148	58,591,148
Addition	(a)	-	2,800,000
Impairment loss		(6,660,000)	(6,660,000)
At 31 December		54,731,148	54,731,148
Quasi equity	(b)	5,300,000	5,300,000
		60,031,148	60,031,148

Details of the subsidiaries are as follows:

Name of company	Principal place of business/ Country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
K. Seng Seng Aluminium Sdn. Bhd. (formerly known as K. Seng Seng Industries Sdn. Bhd.)	Malaysia	100	100	Trading of all kinds of industrial hardware.
Three & Three Hardware Sdn. Bhd.	Malaysia	100	100	Trading of stainless steel long and flat products, and other metal related products.
PTM Stainless Steel Industry Sdn. Bhd.	Malaysia	100	100	Manufacturing of stainless steel tubes and pipes, and processing of stainless steel flat products.
K. Seng Seng Parts Sdn. Bhd.	Malaysia	100	100	Hiring of motor vehicles.
KSG Engineering Sdn. Bhd.	Malaysia	100	100	Engineering works, fabrication and installation of rubber glove dipping line and trading of all kinds of consumables and engineering services.
Koseng Sdn. Bhd.	Malaysia	75	75	Trading of all kinds of marine hardware and consumables.
K. Seng Seng Manufacturing Sdn. Bhd.	Malaysia	100	100	Dormant.
EIE Asian Holding Sdn. Bhd.	Malaysia	100	100	Investment holding.
SA Aluminium & Glass Sdn. Bhd.	Malaysia	100	100	Supplying, fabricating and installation of aluminium, glass and aluminium related products for the retail and project business.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows (Continued):

Name of company	Principal place of business/ Country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Subsidiary of PTM Stainless Steel Industry Sdn. Bhd.				
PTM Water System Sdn. Bhd.	Malaysia	75	75	Trading of water pipes and fittings system, and construction materials.
Subsidiary of EIE Asian Holding Sdn. Bhd.				
EIE Industrial Products Sdn. Bhd.	Malaysia	100	100	Dealers in industrial products, cables, belts and hardware.
EIE Pulp & Speciality Sdn. Bhd.	Malaysia	100	100	Dormant.
Subsidiary of SA Aluminium & Glass Sdn. Bhd.				
SA Metalworks Sdn. Bhd.	Malaysia	100	100	Manufacturing, constructing, processing, fabricating, and supplying of steel related products or structurals and construction activities.
SA Design & Technology Sdn. Bhd.	Malaysia	100	100	Supplying, fabricating and assembling aluminium, glass and aluminium related products.

(a) Quasi equity

Quasi equity represent advances and payments made on behalf of which the settlement is neither planned nor likely to occur in the foreseeable future. These amounts were, in substance, a part of the Company's net investment in the subsidiaries. The quasi equity were stated at cost less accumulated impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) Non-controlling interest in subsidiaries

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

	PTM Water System Sdn. Bhd. RM	Koseng Sdn. Bhd. RM	Total RM
2025			
NCI proportion of ownership interest and voting interest	25%	25%	
Carrying amount of NCI ("RM")	159,033	3,069,272	3,228,305
Profit allocated to NCI ("RM")	24,398	38,839	63,237
2024			
NCI proportion of ownership interest and voting interest	25%	25%	
Carrying amount of NCI ("RM")	134,635	3,030,433	3,165,068
Profit allocated to NCI ("RM")	54,322	73,301	127,623*

* Profit allocated to NCI did not include RM132,986 attributable to EIE Asian Holdings Sdn. Bhd. and its subsidiaries.

(c) Summarised financial information of material non-controlling interest

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material NCI are as follows:

	PTM Water System Sdn. Bhd. RM	Koseng Sdn. Bhd. RM	Total RM
Summarised statement of financial position			
As at 31 December 2025			
Non-current assets	74,057	15,091,761	15,165,818
Current assets	1,106,297	19,463,564	20,569,861
Non-current liabilities	(51,381)	(11,885,830)	(11,937,211)
Current liabilities	(492,839)	(10,392,408)	(10,885,247)
Net assets	636,134	12,277,087	12,913,221
Summarised statement of comprehensive income			
Financial year ended 31 December 2025			
Revenue	2,894,476	21,171,076	24,065,552
Profit for the financial year	97,592	155,358	252,950
Total comprehensive income	97,592	155,358	252,950
Summarised cash flow information			
Financial year ended 31 December 2025			
Cash flows generated from operating activities	616,873	2,183,632	2,800,505
Cash flows generated from/(used in) investing activities	9,124	(43,003)	(33,879)
Cash flows used in financing activities	(509,485)	(2,852,017)	(3,361,502)
Net increase/(decrease) in cash and cash equivalents	116,512	(711,388)	(594,876)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

12. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(c) Summarised financial information of material non-controlling interest (Continued)

The summarised financial information (before intra-group elimination) of the Group's and the Company's subsidiaries that have material NCI are as follows (Continued):

	PTM Water System Sdn. Bhd. RM	Koseng Sdn. Bhd. RM	Total RM
Summarised statement of financial position			
As at 31 December 2024			
Non-current assets	97,442	15,619,568	15,717,010
Current assets	1,479,151	20,663,712	22,142,863
Non-current liabilities	(72,527)	(12,429,884)	(12,502,411)
Current liabilities	(965,524)	(11,731,667)	(12,697,191)
Net assets	538,542	12,121,729	12,660,271
Summarised statement of comprehensive income			
Financial year ended 31 December 2024			
Revenue	4,692,746	22,315,941	27,008,687
Profit for the financial year	217,289	293,204	510,493
Total comprehensive income	217,289	293,204	510,493
Summarised cash flow information			
Financial year ended 31 December 2024			
Cash flows (used in)/generated from operating activities	(164,314)	2,614,656	2,450,342
Cash flows used in investing activities	(116,930)	(442,472)	(559,402)
Cash flows generated from/(used in) financing activities	86,485	(1,968,314)	(1,881,829)
Net (decrease)/increase in cash and cash equivalents	(194,759)	203,870	9,111

13. INVESTMENT IN AN ASSOCIATE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Unquoted shares, at cost				
Shares at cost	14,000,000	14,000,000	14,000,000	14,000,000
Share of post-acquisition reserves	(210,765)	514,590	-	-
	13,789,235	14,514,590	14,000,000	14,000,000

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

13. INVESTMENT IN AN ASSOCIATE (CONTINUED)

Details of the associate is as follows:

Name of company	Principal place of business/ Country of incorporation	Ownership interest		Principal activities
		2025 %	2024 %	
Metalmach Micro Technology Sdn. Bhd.	Malaysia	40	40	Manufacturing of high precision tools and dies, moulds and mould parts, precision jigs, fixtures and mechanical parts.
Held by Metalmach Micro Technology Sdn. Bhd.				
Tong Soon Micron Sdn. Bhd.	Malaysia	100	100	Civil and engineering works.
Senshin Seimitsu Sdn. Bhd.	Malaysia	100	100	Manufacturing and trading of precision tools and other related component parts.
BLU Resources Sdn. Bhd.	Malaysia	100	100	Consultation and trading on engineering products and services.

(a) Summarised financial information of associate

The summarised financial information of the Group's associate and reconciles the information to the carrying amount of the Group's interest in the associate is as follows:

	2025 RM	2024 RM
Assets and liabilities		
Non-current assets	11,763,410	12,161,460
Current assets	25,131,692	17,489,376
Non-current liabilities	(2,330,414)	(3,611,824)
Current liabilities	(14,599,051)	(4,259,991)
	19,965,637	21,779,021
Results		
Revenue	24,221,555	10,359,106
Profit for the financial year/Total comprehensive income	4,539,833	1,286,476
Reconciliation of net assets to carrying amount:		
Net assets as at 31 December	7,986,254	8,711,609
Fair value adjustments	4,049,611	4,049,611
Goodwill	1,753,370	1,753,370
Share of net assets of the Group/Carrying amount	13,789,235	14,514,590
Share of results of the Group		
Group's share of total comprehensive income	1,815,933	514,590
Dividend received from the associate	2,541,288	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

14. DEFERRED TAX (ASSETS)/LIABILITIES

	Group	
	2025 RM	2024 RM
Deferred tax assets	-	(803,376)
Deferred tax liabilities	445,773	1,199,044
	445,773	395,668

Movement on the net deferred liabilities are as follows:

	Group	
	2025 RM	2024 RM
At 1 January	395,668	592,521
Recognised in profit or loss (Note 8):		
- Property, plant and equipment	157,826	38,880
- Unabsorbed tax losses	-	112,296
- Unabsorbed capital allowances	39,007	(96,140)
- Fair value of balance contracts	(142,963)	(283,625)
- Unabsorbed reinvestment allowances	-	(139,676)
- Others	(3,765)	171,412
	50,105	(196,853)
At 31 December	445,773	395,668

	Group	
	2025 RM	2024 RM
Deferred tax assets		
- Unabsorbed capital allowance	(485,454)	(524,461)
- Unabsorbed reinvestment allowances	(139,676)	(139,676)
- Others	(143,004)	(139,239)
	(768,134)	(803,376)
Offsetting	768,134	-
Net deferred tax assets	-	(803,376)
Deferred tax liabilities		
- Property, plant and equipment	1,190,411	1,032,585
- Fair value of balance contracts	22,312	165,275
- Others	1,184	1,184
	1,213,907	1,199,044
Offsetting	(768,134)	-
Net deferred tax liabilities	445,773	1,199,044

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

14. DEFERRED TAX (ASSETS)/LIABILITIES (CONTINUED)Unrecognised deferred tax assets

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deductible temporary differences in respect of expenses	(11,376,625)	(11,386,435)	-	-
Property, plant and equipment	3,402,169	2,772,242	1,192,222	1,115,838
Unabsorbed tax losses	(21,605,332)	(17,764,923)	(3,461,683)	(2,000,984)
Unabsorbed capital allowances	(4,690,910)	(3,203,442)	(1,205,400)	(992,159)
	(34,270,698)	(29,582,558)	(3,474,861)	(1,877,305)

The availability of unabsorbed tax losses for offsetting against future taxable profits of the respective subsidiaries are subject to requirements under the Income Tax Act, 1967 and guidelines issued by the tax authority.

The unabsorbed tax losses not recognised are available for offset against future taxable profits of the up to the following financial years:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Year of assessments				
2028	2,118,701	2,118,701	-	-
2029	2,708,974	2,708,974	-	-
2030	969,249	969,249	-	-
2031	1,404,946	1,404,946	-	-
2032	4,266,997	4,266,997	80,997	80,997
2033	4,389,119	4,389,119	1,420,544	1,420,544
2034	1,906,937	1,906,937	499,443	499,443
2035	3,840,409	-	1,460,699	-
	21,605,332	17,764,923	3,461,683	2,000,984

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

15. INVENTORIES

	Group	
	2025 RM	2024 RM
Raw materials	2,550,360	3,813,104
Work-in-progress	931,876	1,763,824
Finished goods	58,029,425	81,604,715
Consumables	1,286,038	1,107,486
Packing materials	960,642	115,886
Stock in transit	829,479	944,413
	64,587,820	89,349,428

- (a) The cost of inventories of the Group recognised as an expense in cost of sales during the financial year is RM117,508,205 (2024: RM160,811,123).
- (b) The cost of inventories of the Group recognised as other expenses during the year in respect of write-down of inventories to net realisable value was RM48,006 (2024: RM2,161,028).
- (c) During the financial year, the Group reversed the previous inventories written down value of RM51,793 (2024: RM61,422). The amount of reversal was included in other income.

16. TRADE RECEIVABLES

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Current:					
External parties	(a)	65,452,720	95,611,077	3,000	4,500
Retention sum	(b)	8,578,101	6,013,170	-	-
		74,030,821	101,624,247	3,000	4,500
Less: Impairment losses for trade receivables	(c)	(1,240,287)	(1,018,158)	-	-
Total trade receivables		72,790,534	100,606,089	3,000	4,500

- (a) The Group's and the Company's normal credit term ranges from 7 to 150 days (2024: 7 to 150 days) and 30 days (2024: 30 days) respectively. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

16. TRADE RECEIVABLES (CONTINUED)

(b) Receivables that are impaired

The Group's trade receivables that are impaired at the reporting date and the reconciliation of movement in the impairment of trade receivables are as follows:

	Note	Group	
		2025 RM	2024 RM
At 1 January		1,018,158	1,433,690
Charge for the financial year			
- individually assessed	6	258,054	343,735
Reversal of impairment losses	6	(35,925)	(467,242)
Written off		-	(292,025)
At 31 December		1,240,287	1,018,158

Trade receivables that are individually determined to be credit impaired at the reporting date relate to receivables that are in significant financial difficulties and have defaulted on payments.

The information about the credit exposures is disclosed in Note 30(b)(i) to the financial statements.

17. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Other receivables	(a)	10,807,397	3,415,673	8,541,288	-
Deposits		1,092,598	2,662,139	112,100	98,186
Advances to suppliers		1,909,188	4,405,855	-	-
Prepayments	(b)	1,136,244	2,401,741	201,963	772,485
		14,945,427	12,885,408	8,855,351	870,671

(a) Included in other receivables of the Company amounting to RM500,000 (2024: RM Nil) is the dividend receivable from its subsidiary company.

(b) Included in other receivables of the Group and the Company amounting to RM6,000,000 (2024: RM Nil) is a proposed investment via subscription of redeemable convertible preference shares. As at the reporting date, the proposal has been cancelled, and the amount paid was fully received subsequent to the financial year end on 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

18. CONTRACT ASSETS/(LIABILITIES)

	Note	Group	
		2025 RM	2024 RM
Contract assets relating to project works	(a)	21,455,089	29,844,667
Total contract assets		21,455,089	29,844,667
Contract liabilities relating to project works	(b)	(3,229,666)	(14,940,817)
Contract liabilities relating to sales contract	(c)	(907,829)	(31,484)
Total contract liabilities		(4,137,495)	(14,972,301)
Net contract assets		17,317,594	14,872,366

(a) Contract assets relating to project works

The contract assets relating to project works represent the Group's rights to consideration for the work performed for the project works but yet to be billed. Contract assets are transferred to receivables when the Group issue progress billings to the customers. Typically, the amount will be billed within 30 to 90 days (2024: 30 to 90 days) and payments is expected within 30 to 120 days (2024: 30 to 120 days).

(b) Contract liabilities relating to project workss

The contract liabilities relating to project works represent progress billings and deposits received for project works for which performance obligations have not been satisfied. The contract liabilities are expected to be recognised as revenue over a period of 30 to 90 days (2024: 30 to 90 days).

(c) Contract liabilities relating to sales contract

The contract liabilities relating to sales contract represent deposits received for sales contract for which performance obligations have not even satisfied. The contract liabilities are expected to be recognised as revenue over a period of 30 days (2024: 30 days).

(d) Changes in contract balances

	Group	
	2025 RM	2024 RM
At 1 January	14,872,366	4,682,724
Revenue recognised during the year	80,518,737	99,456,219
Less: Progress billings during the year	(78,073,509)	(89,266,577)
At 31 December	17,317,594	14,872,366

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

19. CONTRACT COSTS

	Group	
	2025 RM	2024 RM
Contract costs relating to rubber glove dipping line	6,528,330	12,145,077
Less: Impairment loss	(6,528,330)	(6,528,330)
Less: Cost recognised during the year	-	(3,116,747)
Less: Transferred to inventories	-	(2,500,000)
	-	-

20. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

	Note	Company	
		2025 RM	2024 RM Restated
Current:			
Amounts due from subsidiaries			
Non-trade	(a)	8,480,102	8,934,449
Less: Impairment loss		(5,678,281)	(5,678,281)
		2,801,821	3,256,168
Amounts due to subsidiaries			
Non-trade	(b)	(4,522,365)	(5,582,756)

(a) These amounts are unsecured, interest free and repayable on demand in cash except for an amount of RM2,364,612 (2024: RM2,364,612) which bear interest at rates ranging from 7.90% to 8.65% (2024: 7.90% to 8.65%) per annum.

(b) These amounts are unsecured, interest free and repayable on demand in cash except for an amount of RM2,826,717 (2024: RM2,298,346) which bear interest at rates 8.40% to 8.65% (2024: 8.65%) per annum.

21. AMOUNT DUE FROM AN ASSOCIATE

This amount is trade in nature. The normal trade credit term is 60 days.

22. OTHER INVESTMENTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets at fair value through profit and loss				
At fair value:				
- Quoted equity securities	41,398,343	32,512,710	41,398,343	32,512,710
- Money market funds	75,328	73,032	-	-
	41,473,671	32,585,742	41,398,343	32,512,710

Included in quoted equity securities of the Group and the Company is an amount of RM41,398,343 (2024: RM32,512,710) pledged as security for margin facilities granted to the Company as disclosed in Note 25(f).

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

23. CASH AND SHORT-TERM DEPOSITS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deposits placed with licensed banks (Islamic)	1,854,455	2,316,294	525,134	510,134
Deposits placed with licensed banks	2,258,976	1,694,087	-	-
Cash and bank balances (Islamic)	10,087,528	10,377,801	758,280	661,324
Cash and bank balances	2,359,036	3,670,208	-	-
	16,559,995	18,058,390	1,283,414	1,171,458

For the purpose of the statements of cash flows, cash and cash equivalents comprise of the following:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deposits placed with licensed banks	4,113,431	4,010,381	525,134	510,134
Less: Deposits placed pledged with licensed banks	(4,113,431)	(4,010,381)	(525,134)	(510,134)
	-	-	-	-
Cash and bank balances	12,446,564	14,048,009	758,280	661,324
Bank overdraft	(1,229,097)	(2,174,408)	-	-
	11,217,467	11,873,601	758,280	661,324

- (a) Deposits placed with licensed banks of the Group and of the Company bear effective interest at rates ranging from 2.35% to 2.52% and 2.50% (2024: 2.35% to 2.94% and 2.56% to 2.94%) per annum as at the financial year end with maturity period ranging from 365 days to 395 days and 365 days (2024: 365 days to 395 days and 365 days) respectively.
- (b) Included in the deposits placed with licensed banks of the Group is an amount of RM4,113,431 (2024: RM4,010,381) pledged as security for banking facilities granted to subsidiaries as disclosed in Note 25.
- (c) Reconciliation of changes in liabilities arising from financing activities are as follows:

	1 January 2025 RM	Cash flows RM	Non-cash RM	31 December 2025 RM
Group				
Bankers' acceptances	105,569,365	(60,411,041)	-	45,158,324
Revolving credits	5,150,914	(150,914)	-	5,000,000
Hire purchase payables	2,221,909	(1,484,226)	6,756,660	7,494,343
Lease liabilities	1,093,803	(1,998,669)	2,979,793	2,074,927
Margin trading facilities	8,977,062	3,175,431	-	12,152,493
Term loans	20,367,912	2,069,788	-	22,437,700
	143,380,965	(58,799,631)	9,736,453	94,317,787

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

23. CASH AND SHORT-TERM DEPOSITS (CONTINUED)

(c) Reconciliation of changes in liabilities arising from financing activities are as follows: (Continued)

	1 January 2024 RM	Cash flows RM	Non-cash RM	31 December 2024 RM
Group				
Bankers' acceptances	84,153,542	21,415,823	-	105,569,365
Revolving credits	5,150,364	550	-	5,150,914
Hire purchase payables	2,049,691	(914,382)	1,086,600	2,221,909
Lease liabilities	839,201	(848,030)	1,102,632	1,093,803
Margin facilities	6,616,109	2,360,953	-	8,977,062
Term loans	20,686,792	(318,880)	-	20,367,912
	119,495,699	21,696,034	2,189,232	143,380,965

	1 January 2025 RM	Cash flows RM	Non-cash RM	31 December 2025 RM
Company				
Hire purchase payables	103,676	(39,094)	-	64,582
Lease liabilities	23,448	(23,448)	-	-
Margin facilities	8,977,062	3,175,431	-	12,152,493
Term loans	571,283	2,069,788	-	2,641,071
	9,675,469	5,182,677	-	14,858,146

	1 January 2024 RM	Cash flows RM	Non-cash RM	31 December 2024 RM
Company				
Hire purchase payables	141,140	(37,464)	-	103,676
Lease liabilities	184,491	(187,349)	26,306	23,448
Margin facilities	6,616,109	2,360,953	-	8,977,062
Term loans	-	571,283	-	571,283
	6,941,740	2,707,423	26,306	9,675,469

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

24. SHARE CAPITAL

	Note	Group and Company			
		Number of ordinary shares		Amount	
		2025 Unit	2024 Unit	2025 RM	2024 RM
Issued and fully paid up:					
At 1 January		185,279,255	150,179,255	106,022,013	76,644,738
Issued during the financial year:					
- private placement	(a)	17,000,000	35,000,000	12,750,000	29,450,000
- conversion of warrants	(b)	7,000	100,000	3,780	54,000
- shares issued expenses		-	-	(82,740)	(126,725)
At 31 December		202,286,255	185,279,255	118,693,053	106,022,013

(a) Share capital

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

During the financial year, the Company:

- (i) On 27 May 2025, the Company issued 14,240,000 new ordinary shares at a price of RM0.75 per ordinary share from private placement for working capital purposes;
- (ii) On 3 July 2025, the Company issued 7,000 new ordinary shares at a price of RM0.54 per ordinary share from conversion of warrants for working capital purposes; and
- (iii) On 25 July 2025, the Company issued 2,760,000 new ordinary shares at a price of RM0.75 per ordinary share from private placement for working capital purposes.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

(b) Warrants

Warrants 2022/2029

On 11 October 2022, the Company has issued 43,199,879 warrants pursuant to bonus issue of warrants to all the entitled shareholders of the Company on the basis on one (1) warrant for every three (3) existing ordinary shares held in the Company.

The warrants are constituted under a Deed Poll executed on 19 September 2022 and each warrant entitles the registered holder the right at any time during the exercise period from 11 October 2022 to 10 October 2029 to subscribe in cash for one (1) new ordinary shares of the Company at an exercise price of RM0.54 each.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

24. SHARE CAPITAL (CONTINUED)**(b) Warrants (Continued)**

The salient features of the Warrants 2022/2029 are as follows:

- (i) entitled its registered holder for one (1) free Warrant for every three (3) ordinary shares held;
- (ii) each Warrant entitles the holder to subscribe for one (1) new ordinary share at the exercise price at any time during the exercise period;
- (iii) the Warrants may be exercised at any period commencing on and including the date of issuance of the Warrants and ending at the close of business at 5pm on the date preceding the seventh (7th) anniversary of the date of issuance, or if such is not market day, then it shall be the market day immediately preceding the said non-market day. At the expiry of the exercise period, any Warrant which has not been exercised will cease to be valid for any purpose and will be deemed to have lapsed; and
- (iv) the new ordinary shares to be issued arising from the exercise of exercise rights represented by the Warrants, shall upon allotment and issuance rank pari passu in all respects with the existing ordinary shares, save and except the new ordinary shares will not be entitled to any dividend, right, allotment and/or other forms of distribution where the entitlement date of such dividend, right, allotment and/or other forms of distribution precedes the relevant date of allotment and issuance of the new ordinary shares.

The movement of Warrants 2022/2029 during the financial year are as follows:

	Warrants 2022/2029	
	2025 Unit	2024 Unit
At 1 January	35,520,529	35,620,529
Exercise of warrants	(7,000)	(100,000)
At 31 December	35,513,529	35,520,529

(c) ESOS

The ESOS is governed by the ESOS By-Laws approved by the shareholders of the Company at an Extraordinary General Meeting held on 25 May 2022, the main features of the ESOS are as follows:

- (i) the ESOS options granted to eligible directors (including non-executive) and eligible employees of the Company and its subsidiaries to subscribe for new ordinary shares in the Company;
- (ii) the ESOS is for a period of five (5) years commencing from 8 September 2022;
- (iii) the maximum number of new shares which may be made available under the scheme and/ or to be allotted and/ or issued pursuant to the exercise of the ESOS options that may be granted under the scheme shall not exceed in aggregate fifteen percent (15%) of the prevailing total number of issued shares of the Company (excluding treasury shares, if any) at any point in time when an offer is made throughout the duration of the scheme;
- (iv) an ESOS option cannot be assigned, encumbered, transferred or otherwise disposed of in any manner whatsoever;

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

24. SHARE CAPITAL (CONTINUED)

(c) ESOS (Continued)

- (v) the option price shall be determined based on the five (5)-day volume weighted average market price of the shares immediately preceding the date of offer, with a discount of not more than ten percent (10%) or such other percentage of discount as may be permitted by Bursa Securities or any other relevant authorities from time to time during the duration of the scheme;
- (vi) the actual number of shares under the ESOS options which may be offered to an eligible person shall be at the sole and absolute discretion of the ESOS Committee and shall not be less than one hundred (100) shares and shall be in the multiples of one hundred (100) shares (or in any other denomination as may be prescribed by Bursa Securities as a board lot); and
- (vii) The new shares to be allotted and issued upon any exercise of the ESOS options will upon such allotment and issuance, rank pari passu in all respects with the then existing issued shares except that the new shares so issued and allotted will not be entitled to any dividends, rights, allotments and/or other distributions where the entitlement date of which is prior to the date of which the new shares are credited into the CDS accounts of the grantees.

No ESOS were granted to any employees since the approval by shareholders of the Company at an Extraordinary General Meeting held on 25 May 2022.

25. BORROWINGS

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Non-current:					
Hire purchase payables	(c)	5,667,652	1,646,925	36,168	64,582
Lease liabilities	(d)	342,739	501,906	-	-
Term loans	(g)	20,452,369	19,444,939	2,540,061	571,283
		26,462,760	21,593,770	2,576,229	635,865
Current:					
Bankers' acceptances (Islamic)	(a)	35,283,580	64,272,668	-	-
Bankers' acceptances	(a)	9,874,744	41,296,697	-	-
Revolving credits	(b)	5,000,000	5,150,914	-	-
Hire purchase payables	(c)	1,826,691	574,984	28,414	39,094
Lease liabilities	(d)	1,732,188	591,897	-	23,448
Bank overdrafts	(e)	1,229,097	2,174,408	-	-
Margin facilities	(f)	12,152,493	8,977,062	12,152,493	8,977,062
Term loans	(g)	1,047,582	922,973	101,010	-
		68,146,375	123,961,603	12,281,917	9,039,604
Total borrowings:					
Bankers' acceptances (Islamic)	(a)	35,283,580	64,272,668	-	-
Bankers' acceptances	(a)	9,874,744	41,296,697	-	-
Revolving credits	(b)	5,000,000	5,150,914	-	-
Hire purchase payables	(c)	7,494,343	2,221,909	64,582	103,676
Lease liabilities	(d)	2,074,927	1,093,803	-	23,448
Bank overdrafts	(e)	1,229,097	2,174,408	-	-
Margin facilities	(f)	12,152,493	8,977,062	12,152,493	8,977,062
Term loans	(g)	21,499,951	20,367,912	2,641,071	571,283
		94,609,135	145,555,373	14,858,146	9,675,469

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

25. BORROWINGS (CONTINUED)**(a) Bankers' acceptances**

The bankers' acceptances of the Group bear interest ranging from 1.25% to 5.85% (2024: 3.61% to 5.33%) per annum and are secured by way of corporate guarantee of the Company. The bankers' acceptances of certain subsidiaries are supported by personal guarantee of a director and a pledge of deposits of the respective subsidiaries. The bankers' acceptances of RM35,741,386 (2024: RM60,846,821) are supported by legal charge over the land and buildings of the respective subsidiaries.

(b) Revolving credits

The revolving credits of the Group bear interest at 6.16% (2024: 6.16%) per annum and are secured by way of corporate guarantee of the Company.

(c) Hire purchase payables

Future minimum lease payments together with the present value of net minimum hire purchase payments are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Minimum lease payments:				
Not later than one year	2,232,409	677,064	30,330	42,540
Later than one year and not later than 5 years	6,195,781	1,726,971	37,696	68,026
Later than 5 years	17,235	58,760	-	-
	8,445,425	2,462,795	68,026	110,566
Less: Future finance charges	(951,082)	(240,886)	(3,444)	(6,890)
Present value of minimum lease payments	7,494,343	2,221,909	64,582	103,676
Present value of minimum lease payments:				
Not later than one year	1,826,691	574,984	28,414	39,094
Later than one year and not later than 5 years	5,650,691	1,589,859	36,168	64,582
Later than 5 years	16,961	57,066	-	-
	7,494,343	2,221,909	64,582	103,676
Less: Amount due within 12 months	(1,826,691)	(574,984)	(28,414)	(39,094)
Amount due after 12 months	5,667,652	1,646,925	36,168	64,582

The hire purchase payables of the Group and the Company bear interest at rates ranging from 2.04% to 3.60% (2024: 2.04% to 3.91%) and 2.18% to 2.20% (2024: 2.18% to 2.20%) per annum respectively and are secured by the Group's and the Company's plant and machinery motor vehicles under hire purchase arrangements as disclosed in Note 10(a).

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

25. BORROWINGS (CONTINUED)

(d) Lease liabilities

Future minimum lease payments together with the present value of net minimum lease payments are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Minimum lease payments:				
Not later than one year	1,783,800	628,029	-	23,479
Later than one year and not later than 5 years	344,601	517,400	-	-
	2,128,401	1,145,429	-	23,479
Less: Future finance charges	(53,474)	(51,626)	-	(31)
Present value of minimum lease payments	2,074,927	1,093,803	-	23,448
Present value of minimum lease payments:				
Not later than one year	1,732,188	591,897	-	23,448
Later than one year and not later than 5 years	342,739	501,906	-	-
	2,074,927	1,093,803	-	23,448
Less: Amount due within 12 months	(1,732,188)	(591,897)	-	(23,448)
Amount due after 12 months	342,739	501,906	-	-

The lease liabilities of the Group and of the Company are measured at the present value of lease payments, discounted using their respective incremental borrowing rates. The rates applied range from 4.71% to 4.75% (2024: 3.75% to 4.75%) per annum for the Group, while the Company had no lease liabilities in the current financial year (2024: 4.75%).

(e) Bank overdrafts

The bank overdrafts of the Group bears interest at rates ranging from 7.70% (2024: 7.95% to 8.15%) per annum and are secured by way of corporate guarantee of the Company. The bank overdrafts of certain subsidiaries are supported by legal charge over the land and building, personal guarantee of a director and a pledge of deposits of the respective subsidiaries.

(f) Margin facilities

The margin facilities of the Group and the Company bears interest at rates ranging from 5.75% to 6.25% (2024: 6.00% to 7.50%).

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

25. BORROWINGS (CONTINUED)

(g) Term loans

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within next twelve months	1,047,582	922,973	101,010	-
After next twelve months				
- not later than two years	1,893,992	1,135,649	815,801	179,718
- later than two years but not more than five years	4,012,321	2,919,865	1,724,260	391,565
- more than five years	14,546,056	15,389,425	-	-
	20,452,369	19,444,939	2,540,061	571,283
	21,499,951	20,367,912	2,641,071	571,283

Term loan 1 of a subsidiary of RM3,889,341 (2024: RM4,007,200) bears interest at 4.29% (2024: 4.54%) per annum and is repayable over twenty (20) years commencing from the day of full drawdown and is secured and supported as follows:

- (i) facility agreement;
- (ii) legal charge over freehold land and building of a subsidiary; and
- (iii) corporate guarantee by the Company.

Term loan 2 of a subsidiary of RM328,602 (2024: RM548,610) bears interest at 5.88% (2024: 5.45%) per annum and is repayable over five (5) years commencing from the day of full drawdown and is secured and supported as follows:

- (i) facility agreement;
- (ii) corporate guarantee by the Company; and
- (iii) legal charge over the solar panel of a subsidiary.

Term loan 3 of a subsidiary of RM12,202,638 (2024: RM12,661,725) bears interest at 4.45% (2024: 4.70%) per annum and is repayable over twenty (20) years commencing from the day of full drawdown and is secured and supported as follows:

- (i) facility agreement;
- (ii) proportionate guarantee by personal guarantee of a director of up to 25% of the indebtedness;
- (iii) corporate guarantee of the Company of up to 75%; and
- (iv) legal charge over a freehold land and building of a subsidiary.

Term loan 4 of a subsidiary of RM2,438,299 (2024: RM2,579,094) bears interest at 4.05% (2024: 4.30%) per annum and is repayable over fifteen (15) years commencing from the day of full drawdown and is secured and supported as follows:

- (i) facility agreement; and
- (ii) corporate guarantee by the Company.

Term loan 5 of the Company of RM2,641,071 (2024: RM571,283) bears interest at 4.30% (2024: 4.55%) per annum and is repayable over ten (10) years commencing from the day of full drawdown and is secured and supported as follows:

- (i) facility agreement;
- (ii) letter of offer;
- (iii) legal charge over a freehold land and building of the Company;
- (iv) asset sale agreement; and
- (v) negative pledge.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

26. TRADE PAYABLES

	Group	
	2025 RM	2024 RM
Trade payables	21,844,082	21,773,336
Retention sum	1,804,282	1,032,685
Trade accruals	-	1,870,478
	23,648,364	24,676,499

- (a) The normal trade credit term granted to the Group ranges from 14 to 150 days (2024: 14 to 120 days).
- (b) The retention sum which is payable upon the expiry of defect liability is expected to be settled as follows:

	2025 RM	2024 RM
Later than one year	1,804,282	1,032,685

For explanations on the Group's liquidity risk management process, refer to Note 30(b)(ii).

27. OTHER PAYABLES AND ACCRUALS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Other payables	5,330,928	1,794,702	93,317	707,987
Accruals	6,179,182	4,703,879	641,451	721,049
Deposits	74,211	52,100	6,875	52,100
	11,584,321	6,550,681	741,643	1,481,136

28. AMOUNTS DUE TO DIRECTORS

These amounts are unsecured, interest free and are repayable on demand in cash except for an amount of NIL (2024: RM450,000) which bear interest at rates NIL (2024: 8.65%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

29. RELATED PARTIES

(a) Identity of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operational decisions, or vice versa, or where the Group and the party are subject to common control. Related parties may be individuals or other entities.

Related parties of the Group include:

- (i) Subsidiaries;
- (ii) Associate;
- (iii) Entity in which directors have substantial financial interests; and
- (iv) Key management personnel of the Group comprise persons (including directors) having the authority and responsibility for planning, directing and controlling the activities directly or indirectly.

(b) Significant related party transactions and balances

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	Group	
	2025 RM	2024 RM
Associate		
Sales of goods	(122,662)	(19,133)
Director		
Interest payable	-	39,032
	Company	
	2025 RM	2024 RM
Subsidiaries		
Dividend received	(1,700,000)	(750,000)
Interest receivable	(159,647)	(99,919)
Interest payable	215,320	517,335
Management fee	(2,570,470)	(2,940,000)
Rental of premises	(1,379,280)	(1,379,280)
Hiring charges of motor vehicles	124,800	122,750
Associate		
Dividend received	(2,541,488)	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

29. RELATED PARTIES (CONTINUED)

(b) Significant related party transactions and balances (Continued)

Significant outstanding balances with related parties at the end of the reporting period are as disclosed in Notes 20, 21 and 28.

The Company provides secured corporate guarantees to banks in respect of banking facilities granted to the subsidiaries as disclosed in Note 30(b)(i).

(c) Compensation of key management personnel

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Directors of the Company and subsidiaries:				
Executive directors				
- Fees	60,000	68,000	-	-
- Other emoluments	1,955,470	2,317,239	481,741	812,435
- Defined contribution plan	226,375	282,974	57,600	97,200
- Benefits-in-kind	76,950	80,798	31,150	31,150
	2,318,795	2,749,011	570,491	940,785
Non-executive directors				
- Fees	223,458	220,000	223,458	220,000
- Other emoluments	55,000	20,000	55,000	20,000
	278,458	240,000	278,458	240,000
Other key management personnel:				
- Short term employee benefits	677,486	698,374	677,486	698,374
- Defined contribution plan	81,204	76,953	81,204	76,953
- Benefits-in-kind	13,000	13,000	13,000	13,000
	771,690	788,327	771,690	788,327
	3,368,943	3,777,338	1,620,639	1,969,112

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned:

	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM
Group			
2025			
Financial assets			
Trade receivables	72,790,534	72,790,534	-
Other receivables and deposits *	13,809,183	13,809,183	-
Amount due from an associate	79,873	79,873	-
Other investments	41,473,671	-	41,473,671
Cash and short-term deposits	16,559,995	16,559,995	-
	144,713,256	103,239,585	41,473,671
Financial liabilities			
Trade payables	23,648,364	23,648,364	-
Other payables	11,584,321	11,584,321	-
Borrowings	94,609,135	94,609,135	-
	129,841,820	129,841,820	-
2024			
Financial assets			
Trade receivables	100,606,089	100,606,089	-
Other receivables and deposits *	10,483,667	10,483,667	-
Amount due from an associate	17,921	17,921	-
Other investments	32,585,742	-	32,585,742
Cash and short-term deposits	18,058,390	18,058,390	-
	161,751,809	129,166,067	32,585,742
Financial liabilities			
Trade payables	24,676,499	24,676,499	-
Other payables	6,550,681	6,550,681	-
Amount due to directors	4,350,000	4,350,000	-
Borrowings	145,555,373	145,555,373	-
	181,132,553	181,132,553	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(a) Categories of financial instruments (Continued)

The following table analyses the financial instruments in the statements of financial position by the classes of financial instruments to which they are assigned (Continued):

	Carrying amount RM	Amortised cost RM	Fair value through profit or loss RM
Company			
2025			
Financial assets			
Trade receivables	3,000	3,000	-
Other receivables and deposits *	8,653,388	8,653,388	-
Other investments	41,398,343	-	41,398,343
Amounts due from subsidiaries	2,801,821	2,801,821	-
Amount due from an associate	18,426	18,426	-
Cash and short-term deposits	1,283,414	1,283,414	-
	54,158,392	12,760,049	41,398,343
Financial liabilities			
Other payables	741,643	741,643	-
Amounts due to subsidiaries	4,522,365	4,522,365	-
Borrowings	14,858,146	14,858,146	-
	20,122,154	20,122,154	-
2024			
Financial assets			
Trade receivables	4,500	4,500	-
Other receivables and deposits *	98,186	98,186	-
Other investments	32,512,710	-	32,512,710
Amounts due from subsidiaries	3,256,168	3,256,168	-
Cash and short-term deposits	1,171,458	1,171,458	-
	37,043,022	4,530,312	32,512,710
Financial liabilities			
Other payables	1,481,136	1,481,136	-
Amounts due to subsidiaries	5,582,756	5,582,756	-
Amounts owing to directors	3,900,000	3,900,000	-
Borrowings	9,675,469	9,675,469	-
	20,639,361	20,639,361	-

* Excluding prepayments

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management**

The Group's and the Company's activities are exposed to a variety of financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, foreign currency risk, interest rate risk and market price risk. The Group's and the Company's overall financial risk management objective is to optimise value for their shareholders.

The Board of Directors reviews and agrees to policies and procedures for the management of these risks, which are executed by the Group's senior management. The audit and risk management committee provides independent oversight to the effectiveness of the risk management process.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and the Company that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to credit risk from their operating activities (primarily trade receivables) and from their investing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group and the Company have a credit policy in place and the exposure to credit risk is managed through the application of credit approvals, credit limits and monitoring procedures. Credit quality of a customer is assessed based on extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

Trade receivables and contract assets

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

The carrying amount of trade receivables and contract assets are not secured by any collateral or supported by any other credit enhancements. In determining the recoverability of these receivables, the Group and the Company consider any change in the credit quality of the receivables from the date the credit was initially granted up to the reporting date. The Group and the Company have adopted a policy of dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Credit risk concentration profile

The Group determine the credit risk concentration by monitoring the country of its trade receivables and contract assets on an ongoing basis. The credit risk concentration profile of the Group's trade receivables and contract assets at the reporting date are as follows:

Trade receivables:

	Group				Company			
	2025 RM	%	2024 RM	%	2025 RM	%	2024 RM	%
By country:								
Malaysia	72,457,840	98	99,421,662	98	3,000	100	4,500	100
Republic of Indonesia	386,432	1	386,432	1	-	-	-	-
Republic of Singapore	1,153,558	1	1,489,080	1	-	-	-	-
Other countries	32,991	-	327,073	-	-	-	-	-
	74,030,821	100	101,624,247	100	3,000	100	4,500	100

Contract assets:

	Group			
	2025 RM	%	2024 RM	%
By country:				
Malaysia	21,455,089	100	29,438,935	100
Australia	-	-	405,732	^
	21,455,089	100	29,844,667	100

^ Representing less than 1%.

At the reporting date, the Group has significant concentration of credit risk in the form of outstanding balance owing by Nil (2024: one) customer representing Nil (2024: 25%) of the total receivables.

The Group and the Company applies the simplified approach to providing expected credit losses ("ECL"), which permits the use of the lifetime expected credit losses provision for all trade receivables and contract assets. The Group and the Company individually assessed ECL of individual customer based on indicators such as changes in financial capability of the receivables and contract customers, past payment trends of the receivables and contract customers and default or significant delay in payments. The determination of ECL also incorporate economic conditions during the period of historical data, current conditions and forward-looking information on the economic conditions over the expected settlement period of the receivable. The Group and the Company believes that changes in economic conditions over these periods would not materially impact the impairment calculation of the receivables.



NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Credit risk concentration profile (Continued)

The information about the credit risk exposure on the Group's and the Company's trade receivables and contract assets are as follows:

	Gross carrying amount RM	ECL allowance RM	Net balance RM
Group			
At 31 December 2025			
Trade receivables			
Current (not past due)	17,502,943	-	17,502,943
1 to 30 days past due	12,459,715	-	12,459,715
31 to 60 days past due	7,799,405	-	7,799,405
61 to 90 days past due	5,065,350	-	5,065,350
91 to 120 days past due	3,659,010	-	3,659,010
More than 120 days past due	26,304,111	-	26,304,111
Credit impaired:			
- Individually assessed	1,240,287	(1,240,287)	-
	74,030,821	(1,240,287)	72,790,534
Contract assets			
Current (not past due)	21,455,089	-	21,455,089
	95,485,910	(1,240,287)	94,245,623

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(i) Credit risk (Continued)

Trade receivables and contract assets (Continued)

Credit risk concentration profile (Continued)

The information about the credit risk exposure on the Group's and the Company's trade receivables and contract assets are as follows (Continued):

	Gross carrying amount RM	ECL allowance RM	Net balance RM
Group			
At 31 December 2024			
Trade receivables			
Current (not past due)	52,899,185	-	52,899,185
1 to 30 days past due	13,283,899	-	13,283,899
31 to 60 days past due	7,095,504	-	7,095,504
61 to 90 days past due	6,871,183	-	6,871,183
91 to 120 days past due	12,012,911	-	12,012,911
More than 120 days past due	8,443,407	-	8,443,407
Credit impaired:			
- Individually assessed	1,018,158	(1,018,158)	-
	101,624,247	(1,018,158)	100,606,089
Contract assets			
Current (not past due)	29,844,667	-	29,844,667
	131,468,914	(1,018,158)	130,450,756
Company			
At 31 December 2025			
Trade receivables			
Current (not past due)	3,000	-	3,000
At 31 December 2024			
Trade receivables			
Current (not past due)	4,500	-	4,500

The significant changes in gross carrying amount of trade receivables and contract assets do not contribute to changes in the impairment loss allowance during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)**(b) Financial risk management (Continued)****(i) Credit risk (Continued)****Other receivables and other financial assets**

For other receivables and other financial assets (including investment securities, cash and cash equivalents), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties. At the reporting date, the Group's and the Company's maximum exposure to credit risk arising from other receivables and other financial assets is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group and the Company consider the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk, the Group and the Company compare the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, where possible are incorporated.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment.

Some intercompany balances between entities within the Group are repayable on demand. For loans that are repayable on demand, impairment losses are assessed based on the assumption that repayment of the loan is demanded at the reporting date. If the counterparty does not have sufficient highly liquid resources when the loan is demanded, the Group and the Company will consider the expected manner of recovery and recovery period of the intercompany loan.

Other than the credit impaired other receivables, the Group and the Company consider these financial assets to have low credit risk and any expected credit loss is negligible. As such, other than as disclosed in Note 20, the Group and the Company did not recognise any loss allowance for impairment for other receivables and other financial assets.

Financial guarantees contracts

The Company is exposed to credit risk in relation to financial guarantees given to banks in respect of loans granted to certain subsidiaries. The Company monitors the results of the subsidiaries and their repayment on an on-going basis. The maximum exposure to credit risks amounts to RM80,422,810 (2024: RM128,307,431) representing the maximum amount the Company could pay if the guarantee is called. As at the reporting date, there was no loss allowance for impairment as determined by the Company for the financial guarantee.

The financial guarantees have not been recognised since the fair value on initial recognition was not material as the guarantee is provided as credit enhancement to subsidiaries' secured borrowings.

(ii) Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations when they fall due. The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities between financial assets and liabilities. The Group's and the Company's exposure to liquidity risk arise principally from trade and other payables, amount due to subsidiaries and directors, loans and borrowings.

The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by facilities. The Group's and the Company's liquidity risk management policy is to manage its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient level of cash and available banking facilities at a reasonable level to their overall debt position to meet their working capital requirements.

The Group manages its cash flow requirements of purchases in its operating activities mainly through bankers' acceptances which are drawdown to finance the import of goods.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows:

	Carrying amount RM	Contractual cash flows				Total RM
		On demand or within 1 year RM	Between 1 and 2 years RM	Between 2 and 5 years RM	More than 5 years RM	
2025						
Group						
Financial liabilities						
Trade payables	23,648,364	21,844,082	-	1,804,282	-	23,648,364
Other payables	11,584,321	11,584,321	-	-	-	11,584,321
Bankers' acceptances (Islamic)	35,283,580	35,283,580	-	-	-	35,283,580
Bankers' acceptances	9,874,744	9,874,744	-	-	-	9,874,744
Revolving credits	5,000,000	5,000,000	-	-	-	5,000,000
Hire purchase payables	7,494,343	2,232,409	2,075,549	4,120,232	17,235	8,445,425
Lease liabilities	2,074,927	1,783,800	344,601	-	-	2,128,401
Bank overdraft	1,229,097	1,229,097	-	-	-	1,229,097
Margin facilities	12,152,493	12,152,493	-	-	-	12,152,493
Term loans	21,499,951	1,972,041	2,387,284	6,414,292	19,089,791	29,863,408
	129,841,820	102,956,567	4,807,434	12,338,806	19,107,026	139,209,833
Company						
Financial liabilities						
Other payables	741,643	741,643	-	-	-	741,643
Amounts due to subsidiaries	4,522,365	4,522,365	-	-	-	4,522,365
Hire purchase payables	64,582	30,330	37,696	-	-	68,026
Margin facilities	12,152,493	12,152,493	-	-	-	12,152,493
Term loan	2,641,071	214,398	718,872	2,041,336	-	2,974,606
	20,122,154	17,661,229	756,568	2,041,336	-	20,459,133

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(ii) Liquidity risk (Continued)

Maturity analysis (Continued)

The maturity analysis of the Group's and the Company's financial liabilities by their relevant maturity at the reporting date based on contractual undiscounted repayment obligations are as follows (Continued):

	Carrying amount RM	Contractual cash flows				
		On demand or within 1 year RM	Between 1 and 2 years RM	Between 2 and 5 years RM	More than 5 years RM	Total RM
2024						
Group						
Financial liabilities						
Trade payables	24,676,499	23,643,814	-	1,032,685	-	24,676,499
Other payables	6,550,681	6,550,681	-	-	-	6,550,681
Amount due to directors	4,350,000	4,350,000	-	-	-	4,350,000
Bankers’ acceptances (Islamic)	64,272,668	64,272,668	-	-	-	64,272,668
Bankers’ acceptances	41,296,697	41,296,697	-	-	-	41,296,697
Revolving credits	5,150,914	5,150,914	-	-	-	5,150,914
Hire purchase payables	2,221,909	677,064	653,929	1,073,042	58,760	2,462,795
Lease liabilities	1,093,803	628,029	516,500	900	-	1,145,429
Bank overdraft	2,174,408	2,174,408	-	-	-	2,174,408
Margin facilities	8,977,062	8,977,062	-	-	-	8,977,062
Term loans	20,367,912	1,848,601	2,015,364	5,238,441	20,883,542	29,985,948
	181,132,553	159,569,938	3,185,793	7,345,068	20,942,302	191,043,101
Company						
Financial liabilities						
Other payables	1,481,136	1,481,136	-	-	-	1,481,136
Amounts due to subsidiaries	5,582,756	5,582,756	-	-	-	5,582,756
Amounts due to directors	3,900,000	3,900,000	-	-	-	3,900,000
Hire purchase payables	103,676	42,540	30,330	37,696	-	110,566
Lease liabilities	23,448	23,479	-	-	-	23,479
Margin facilities	8,977,062	8,977,062	-	-	-	8,977,062
Term loan	571,283	25,993	205,103	397,171	-	628,267
	20,639,361	20,032,966	235,433	434,867	-	20,703,266

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(iii) Interest rate risk

Interest rate risk is the risk of fluctuation in fair value or future cash flows of the Group's and of the Company's financial instruments as a result of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from their borrowings with floating interest rates.

Borrowings at floating rate amounting to RM39,881,541 and RM14,793,564 (2024: RM36,670,296 and 9,548,345) respectively expose the Group and the Company to cash flow interest rate risk whilst borrowings at fixed rate amounting to RM52,652,667 and RM64,582 (2024: RM107,791,274 and RM127,124) respectively expose the Group and the Company to fair value interest rate risk. The Group and the Company manage its interest rate risk exposure by maintaining a mix of fixed and floating rate borrowings.

Since the Group's and the Company's fixed rate financial assets and liabilities are measured at amortised cost, possible changes in interest rates are not expected to have a significant impact on the Group's and the Company's profit or loss.

Sensitivity analysis for interest rate risk

If the interest rate had been 50 (2024: 50) basis points higher/lower and all other variables were held constant, the Group's and the Company's profit/(loss) net of tax ended 31 December 2025 would increase/decrease by RM151,550 and RM56,216 (2024: RM139,347 and RM36,284) respectively as a result of exposure to floating rate borrowings.

(iv) Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when sales and purchases that are denominated in a foreign currency).

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of Group entities, primarily RM. The foreign currencies in which these transactions are denominated are mainly United States Dollar ("USD"), Singapore Dollar ("SGD"), Chinese Renminbi ("CNY") and Australian Dollar ("AUD").

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(iv) Foreign currency risk (Continued)

Financial assets/(liabilities) denominated in USD, SGD, CNY and AUD are as follows:

	Group	
	2025 RM	2024 RM
USD		
Trade receivables	88,685	202,557
Other receivables, deposits and prepayments	-	3,193,136
Cash and bank balances	732,760	29,786
Trade payables	(251,228)	(267,124)
	570,217	3,158,355
SGD		
Trade receivables	422,466	814,475
Cash and bank balances	15,679	121,012
	438,145	935,487
RMB		
Other receivables, deposits and prepayments	-	109,328
Trade payables	(122)	(361,566)
	(122)	(252,238)
AUD		
Trade receivables	-	124,516
Trade payables	(1,332,537)	(335,446)
	(1,332,537)	(210,930)

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's loss/profit net of tax to a reasonably possible change in the USD, SGD, CNY and AUD exchange rate against the functional currency of the Group, with all other variables held constant.

	Increase/(Decrease) in profit/ (loss) for the financial year	
	Group	
	2025 RM	2024 RM
USD/RM - strengthened 5% (2024: 5%)	21,668	120,017
- weakened 5% (2024: 5%)	(21,668)	(120,017)
SGD/RM - strengthened 5% (2024: 5%)	16,650	35,548
- weakened 5% (2024: 5%)	(16,650)	(35,548)
CNY/RM - strengthened 5% (2024: 5%)	(5)	(9,586)
- weakened 5% (2024: 5%)	5	9,586
AUD/RM - strengthened 5% (2024: 5%)	(50,636)	(8,015)
- weakened 5% (2024: 5%)	50,636	8,015

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

30. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management (Continued)

(v) Market price risk

The Group's and the Company's investment in quoted equity instruments are subject to market price risk. Such exposures are not hedged as the investments are mostly stable companies where the risks accepted are commensurate with the expected returns.

Sensitivity analysis for equity risk

The following table demonstrates the sensitivity Group's and the Company's loss/profit after tax to a reasonably possible change in the FTSE Bursa Malaysia KLCI ("FBM KLCI"), with all other variables held constant.

	Increase/(Decrease) in profit/ (loss) for the financial year	
	Group and Company	
	2025 RM	2024 RM
Change in % of FBMKLCI		
- strengthened 10%	4,139,834	3,251,271
- weakened 10%	(4,139,834)	(3,251,271)

(c) Fair value measurement

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

The Group and the Company recognise transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers. There have been no transfers between Level 1 and Level 2 during the financial year (2024: no transfer in either direction).

The following table provides the fair value measurement hierarchy of the Group's and the Company's financial instruments that are carried at fair value:

Group and Company	Carrying amount RM	Fair value of financial instruments carried at fair value		
		Level 1 RM	Level 2 RM	Level 3 RM
2025				
Current asset				
Other investments	41,473,671	41,473,671	-	-
2024				
Current asset				
Other investments	32,585,742	32,585,742	-	-

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

31. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders, or issue new shares. No change were made in the objectives, policies or processes during the financial years ended 31 December 2025 and 31 December 2024.

The Group monitors capital using gearing ratio, which is calculated as total interest-bearing borrowings divided by total equity. Total interest-bearing borrowings include bankers' acceptances and lease liabilities. The Group and certain subsidiaries are required to comply with certain leverage ratio, gearing ratio and tangible net worth in respect of the banking facilities.

	Group	
	2025 RM	2024 RM
Total interest-bearing borrowings	92,534,208	144,461,570
Total equity	162,438,887	143,619,225
Gearing ratio %	57%	101%

The Group monitors and maintains a prudent level of gearing ratio to optimise shareholders' value and to ensure compliance with covenants under debt agreements, if any.

32. CAPITAL COMMITMENT

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Approved and contracted for:				
Building work in progress	1,234,013	4,076,579	1,234,013	4,076,579
Plant and machineries	-	4,538,448	-	-
	1,234,013	8,615,027	1,234,013	4,076,579

33. SUBSEQUENT EVENT AFTER THE FINANCIAL YEAR

On 5 January 2026, the Company has entered into a Shares Sale Agreement with a third party for the proposed acquisition of 303,600 ordinary shares in Metalmach Micro Technology Sdn. Bhd. ("MMT"), an associate of the Company, representing 11% equity interest in MMT for a total cash consideration of RM5,120,000. Consequently, MMT and its subsidiaries became 51% owned subsidiary of the Company.

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

34. SEGMENT INFORMATION

For management purposes, the Group is organised into operating units reportable operating segments as follows:

- (i) Stainless steel and metal related products
- (ii) Marine hardware and consumable
- (iii) Other industrial hardware
- (iv) Investment holding
- (v) Engineering and project works

Segment revenue, results, assets and liabilities include items directly attributable to a segment and those where a reasonable basis of allocation exist. Inter-segment revenues are eliminated on consolidation.

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.

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group's Executive Director.

Segment total assets are used to measure the return on assets of each segment. Segment liability is measured based on all liabilities of a segment, as included in the internal management reports that are reviewed by the Group's Executive Director.

	Stainless steel and metal relate products RM	Marine hardware and consumable RM	Other industrial hardware RM	Investment holding RM	Engineering and project works RM	Total RM
2025						
Revenue						
Total operating revenue	147,471,670	21,171,076	33,857,514	2,605,088	83,728,994	288,834,342
Inter segment	(39,635,483)	-	(11,336,555)	(2,541,288)	(485,119)	(53,998,445)
External operating revenue	107,836,187	21,171,076	22,520,959	63,800	83,243,875	234,835,897
Results						
Segment result	15,545,846	2,991,679	(8,654,719)	(673,516)	6,074,375	15,283,665
Amortisation of intangible asset	-	-	-	-	(595,675)	(595,675)
Bad debts recovered	10,000	-	-	-	-	10,000
Depreciation of property, plant and equipment	(1,928,669)	(570,809)	(1,911,068)	(301,512)	(959,503)	(5,671,561)
Dividend income from other investments	-	-	-	485,406	-	485,406
Finance cost	(3,260,699)	(989,845)	(1,558,609)	(676,183)	(627,689)	(7,113,025)
Finance income	33,080	812	87,400	27,946	-	149,238
Gain on disposal of property, plant and equipment	(14,292)	16,999	27,618	50,398	39,999	120,722
Gain on termination of lease	844	-	-	-	-	844
Impairment loss on trade receivables	(150,774)	-	-	-	(107,280)	(258,054)
Investments in quoted equity securities						
- Fair value gain	323,895	-	-	-	-	323,895
- Gain on disposal	3,663,098	-	-	-	-	3,663,098
Inventories written down	(2,253)	(45,753)	-	-	-	(48,006)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

34. SEGMENT INFORMATION (CONTINUED)

	Stainless steel and metal relate products RM	Marine hardware and consumable RM	Other industrial hardware RM	Investment holding RM	Engineering and project works RM	Total RM
2025						
Results (Continued)						
Property, plant and equipment written off	-	-	(429)	-	(189,117)	(189,546)
Reversal of impairment loss on trade receivables	5,134	24,191	6,600	-	-	35,925
Reversal of inventories written down	42,938	-	8,855	-	-	51,793
Share of results of an associate	-	-	-	1,815,933	-	1,815,933
Profit/(Loss) before taxation	14,268,148	1,427,274	(11,994,352)	728,472	3,635,110	8,064,652
Taxation	(994,835)	(143,345)	(421,362)	-	(356,488)	(1,916,030)
Profit/(Loss) for the financial year	13,273,313	1,283,929	(12,415,714)	728,472	3,278,622	6,148,622
Assets						
Segment assets	84,651,877	34,555,325	42,871,149	75,598,944	59,218,270	296,895,565
Liabilities						
Segment liabilities	36,821,100	20,799,938	21,101,305	15,499,858	40,234,477	134,456,678
Segment assets include:						
Additions to property, plant and equipment	1,308,921	43,003	9,908,059	2,947,434	1,421,943	15,629,360
	Stainless steel and metal relate products RM	Marine hardware and consumable RM	Other industrial hardware RM	Investment holding RM	Engineering and project works RM	Total RM
2024						
Revenue						
Total operating revenue	204,154,614	22,315,941	28,461,400	5,178,586	102,949,851	363,060,392
Inter segment	(57,907,568)	(4,100)	(690,740)	(5,148,586)	(1,118,763)	(64,869,757)
External operating revenue	146,247,046	22,311,841	27,770,660	30,000	101,831,088	298,190,635
Results						
Segment result	(28,783)	3,046,026	3,675,151	3,877,848	5,403,819	15,974,061
Amortisation of intangible asset	-	-	-	-	(1,181,771)	(1,181,771)
Bad debts recovered	52,380	-	-	-	-	52,380
Contract assets written off	-	-	-	-	(652,369)	(652,369)
Dividend income from other investments	-	-	-	-	491,552	491,552
Depreciation of property, plant and equipment	(1,659,032)	(467,077)	(523,051)	(543,696)	(424,775)	(3,617,631)

NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

34. SEGMENT INFORMATION (CONTINUED)

	Stainless steel and metal relate products RM	Marine hardware and consumable RM	Other industrial hardware RM	Investment holding RM	Engineering and project works RM	Total RM
2024						
Results (Continued)						
Finance cost	(3,613,140)	(1,038,190)	(1,804,554)	(508,496)	(430,329)	(7,394,709)
Finance income	26,463	-	99,352	14,046	-	139,861
Gain on disposal of property, plant and equipment	57,485	-	144,236	-	39,999	241,720
Gain on termination of lease	7,133	-	5,824	-	-	12,957
Impairment loss on trade receivables	(194,447)	(28,335)	(16,200)	-	(104,753)	(343,735)
Investments in quoted equity securities						
- Fair value gain	9,775,630	-	-	-	-	9,775,630
- Gain on disposal	(159,200)	-	-	-	-	(159,200)
Impairment loss on contract assets	-	-	-	-	(1,934,835)	(1,934,835)
Inventories written down	(67,580)	(47,955)	(1,002,343)	-	(1,043,150)	(2,161,028)
Property, plant and equipment written off	(42,700)	-	(4)	-	-	(42,704)
Reversal of impairment loss on trade receivables	123,915	208,810	-	-	134,517	467,242
Reversal of inventories written down	61,422	-	-	-	-	61,422
Share of results of an associate	-	-	-	514,590	-	514,590
Unrealised gain on foreign exchange	(526)	-	-	-	-	(526)
Profit before taxation	4,339,020	1,673,279	578,411	3,354,292	297,905	10,242,907
Taxation	(694,506)	(178,649)	(503,030)	-	(886,639)	(2,262,824)
Profit/(Loss) for the financial year	3,644,514	1,494,630	75,381	3,354,292	(588,734)	7,980,083
Assets						
Segment assets	129,437,821	36,325,487	53,312,601	57,075,445	65,078,310	341,229,664
Liabilities						
Segment liabilities	86,373,921	22,518,450	34,982,349	15,187,074	38,548,645	197,610,439
Segment assets include:						
Additions to property, plant and equipment	2,763,324	442,472	399,427	1,630,563	590,277	5,826,063



NOTES TO THE FINANCIAL STATEMENTS

(CONTINUED)

34. SEGMENT INFORMATION (CONTINUED)Information about geographical areas

Revenue information based on the geographical location of customers is as follows:

	Group	
	2025 RM	2024 RM
Malaysia	229,106,898	289,329,431
Republic of Singapore	5,411,102	4,947,590
Australia	-	3,731,699
Republic of Indonesia	317,897	171,080
Brunei	-	10,835
	234,835,897	298,190,635

All non-current assets (other than financial instruments and deferred tax assets) of the Group are located in Malaysia.

Information about major customer

There is no single customer with revenue equal or more than 10% of the Group revenue.

35. COMPARATIVE FIGURES

Certain prior year comparative figures have been reclassified to conform to the current year's presentation.

	As previously stated RM	Adjustments RM	As restated RM
Company			
Statement of financial position as at 31 December 2024 (extract)			
Non-current liabilities			
Amounts due to subsidiaries	5,582,765	(5,582,765)	-
Current liabilities			
Amounts due to subsidiaries	-	5,582,765	5,582,765

The comparative figures have been restated for reclassification purposes only and do not materially affect the statement of financial position as at the beginning preceding period. Therefore, presentation of a third statement of financial position is not required under MFRS 101.

STATEMENT BY DIRECTORS

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

We, **WONG PAK YII** and **DATUK LOW CHIN KOON**, being two of the directors of K. SENG SENG CORPORATION BERHAD, do hereby state that in the opinion of the directors, the accompanying financial statements set out on pages 77 to 141 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards 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 at 31 December 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.

.....
WONG PAK YII

Director

.....
DATUK LOW CHIN KOON

Director

Date: 15 April 2026

STATUTORY DECLARATION

(Pursuant to Section 251(1) of the Companies Act 2016)

I, **YEOH SOO CHIN**, being the officer primarily responsible for the financial management of K. SENG SENG CORPORATION BERHAD, do solemnly and sincerely declare that to the best of my knowledge and belief, the accompanying financial statements set out on pages 77 to 141 are correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

.....
YEOH SOO CHIN
(MIA Membership No.: 25615)

Subscribed and solemnly declared by the abovenamed at Kuala Lumpur in the Federal Territory on 15 April 2026.

Before me,

.....
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT

To the Members of K. Seng Seng Corporation Berhad (Incorporated in Malaysia)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of K. SENG SENG CORPORATION BERHAD, which comprise the Statements of Financial Position as at 31 December 2025 of the Group and of the Company, and the Statements of 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, material accounting policy information, as set out on pages 77 to 141.

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 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting 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 report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. We have determined that there are no key audit matters to communicate in our report in the financial statements of the Company. These matters were addressed in the context of our audit of the financial statements of the Group as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Provision for Slow-Moving Inventories

(Refer to Notes 3.8, 4.1 and 15 to the financial statements)

The risk

As at 31 December 2025, the Group's carrying amount of inventories amounted to RM64,587,820.

We focused on this area because certain inventories of the Group are slow moving inventories. The review of saleability and valuation of these inventories at lower of cost and net realizable value by the Group involves significant judgements and estimates in which the outcome may be uncertain.

How our audit addressed the key audit matter

Our audit procedures focused on the following:

- Inspected conditions of inventories during the physical inventory count;
- Discussed with the management on their action plans to address the slow-moving inventories;
- Assessed the adequacy and reasonableness of inventory obsolescence allowance to be provided by management during the financial year; and
- Tested the selling price of inventories sold after the financial year end against the carrying amount of the respective inventories.

INDEPENDENT AUDITORS' REPORT

To the Members of K. Seng Seng Corporation Berhad (Incorporated in Malaysia)

(CONTINUED)

Key Audit Matters (Continued)**2. Recoverability of Trade Receivables**

(Refer to Notes 3.4, 4.2, 16 and 30(b)(i) to the financial statements)

The risk

As at 31 December 2025, the Group's trade receivables amounted to RM72,790,534.

Management's assessment of impairment loss for trade receivables includes consideration of historical payment trends of customers, adjusted for forward-looking assumptions specific to the industry of the customer, and any known adverse condition in respect of customers that would affect the recoverability of these balances.

We focused on this area because the Group made judgements over assumptions about credit risks and expected loss rates.

How our audit addressed the key audit matter

Our audit procedures focused on the following:

- Assessed the reasonableness of the inputs used in the Expected Credit Loss ("ECL") model;
- Recalculated the probability of default using historical data and forward-looking information adjustments applied by the Group;
- Reviewed long outstanding balances and discussed with management on the recoverability;
- Assessed the appropriateness and reasonableness of the assumptions applied in the management's assessment of the ECL, taking into account specific known customers' circumstances;
- Scrutinised the trade receivables ageing and investigate unusual trends and conditions that may indicate impairment;
- Verified receipts from trade receivables subsequent to the financial year end; and
- Considered the completeness and accuracy of the disclosures.

3. Revenue Recognition on Contract Customers

(Refer to Notes 3.3, 4.3 and 5 to the financial statements)

The risk

During the financial year 31 December 2025, the revenue of the Group's project works amounted to RM80,487,253.

The recognition of revenue on these contracts are based on input method (on the basis of the Group's efforts or inputs to the satisfaction of the performance obligation relative to the total expected inputs to the satisfaction of that performance obligation).

We focused on this area because significant management judgement is required, in assessing the progress towards satisfaction of a performance obligation, the extent of the project costs incurred and the estimated total project revenue and costs.

How our audit addressed the key audit matter

Our audit procedures focused on the following:

- Obtained an understanding and tested the Group's internal controls over project budget approval and revenue recognition process;
- Verified the budgeted revenue by examine the contracts' approved letter of award and purchased orders;
- Evaluated the management's key judgements used in the estimation of budgeted costs by assessing the reasonableness of profit margin;
- Inspected the costs incurred to date to corroborate the projects' progress towards satisfaction of the performance obligations and reasonableness of the estimated project budgets;
- Performed re-computations on the calculation of the stage of completion to ascertain there is no mathematical error in the profit recognition;
- Assessed the reasonableness of the total budgeted project costs by reviewing the historical trends and reviewing budgets for upcoming projects; and
- Assessed the revenue recognition and disclosure in accordance with MRFS 15 "Revenue from Contracts with Customers".

INDEPENDENT AUDITORS' REPORT

To the Members of K. Seng Seng Corporation Berhad (Incorporated in Malaysia)

(CONTINUED)

Key Audit Matters (Continued)

4. Impairment Assessment on Property, Plant and Equipment - KSSA

(Refer to Notes 3.5, 4.4 and 10(c) to the financial statements)

The risk

As at 31 December 2025, K. Seng Seng Aluminium Sdn. Bhd. ("KSSA"), a subsidiary company of the Company, held plant and machinery and electrical installations with a carrying amount of RM6,818,393. KSSA recorded a gross loss of RM205,576 during the financial year.

Management has determined the recoverable amount of the PPE using the value-in-use method.

We focused on this area due to the significant degree of judgements and estimates used by the management on the discounted cash flow forecast in determining the discount rates applied in the recoverable amount calculation and assumptions supporting the underlying cash flow projections.

How our audit addressed the key audit matter

Our audit procedures focused on the following:

- Assessed the methodology adopted and the mathematical accuracy of the discounted cash flow forecast calculations;
- Reviewed the cash flow forecast prepared by management;
- Assessed the reasonableness of the management's key assumptions used and judgements exercised on its discounted cash flow forecast such as revenue growth rate, profit margins and discount rates;
- Performed sensitivity tests for a range of reasonable possible scenarios; and
- Considered the completeness and accuracy of disclosures in the financial statements.

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 other information 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 other information and, in doing so, consider whether the other information 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 other information, 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 Malaysian Financial Reporting Standards, International Financial Reporting 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 Group's and the Company's ability 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 K. Seng Seng Corporation Berhad (Incorporated in Malaysia)

(CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability 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.
- 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 represent the underlying transactions and events in a manner that achieves fair presentation.
- 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 group financial statements. 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 and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our 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 K. Seng Seng Corporation Berhad (Incorporated in Malaysia)
(CONTINUED)

Other Matters

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.

HLB LER LUM CHEW PLT

201906002362 & AF 0276

Chartered Accountants

TEH WEIL XUAN

03453/10/2027 J

Chartered Accountants

15 April 2026

Kuala Lumpur

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K. SENG SENG CORPORATION BERHAD ●



OTHER INFORMATION

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ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

Number of Shares Issued	: 215,667,967
Class of Shares	: Ordinary Shares
Voting Rights	: One Vote Per Ordinary Share
No. of shareholders	: 1,058

DISTRIBUTION OF SHAREHOLDINGS AS AT 31 MARCH 2026

Category	No. of Shareholders	No. of Shares	Percentage (%)
Less than 100	199	8,586	0.01%
100 - 1,000	146	41,204	0.02%
1,001 - 10,000	316	1,366,782	0.63%
10,001 - 100,000	282	8,763,659	4.06%
100,001 - less than 5% of issued shares	112	120,608,687	55.92%
5% and above of issued shares	3	84,879,049	39.36%
Total	1,058	215,667,967	100.00%

LIST OF SUBSTANTIAL SHAREHOLDINGS AS AT 31 MARCH 2026

No.	Names	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1.	Cheong Lai Sin	39,170,400	18.16	-	-
2.	Frazel Group Sdn. Bhd.	45,708,649	21.19	-	-
3.	Datuk Keh Chuan Seng	-	-	45,708,649 ⁽¹⁾	21.19
4.	Datin Cheong Kai Meng	-	-	45,708,649 ⁽¹⁾	21.19
5.	Enrich Signature Sdn. Bhd.	10,900,000	5.05	-	-
6.	Chiau Haw Loon	503,700	0.23	10,900,000 ⁽²⁾	5.05
7.	Chiau Haw Yew	-	-	10,900,000 ⁽²⁾	5.05

Note:

- ⁽¹⁾ Deemed interested by virtue of his/her interest in Frazel Group Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016
- ⁽²⁾ Deemed interested by virtue of his interest in Enrich Signature Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

DIRECTORS' INTERESTS IN SHARES AS AT 31 MARCH 2026

No.	Names	Direct		Indirect	
		No. of Shares	%	No. of Shares	%
1.	Lee Hai Peng	3,542,700	1.64	-	-
2.	Er Kian Hong	-	-	-	-
3.	Datuk Low Chin Koon	935,000	0.43	-	-
4.	Teh Boon Beng	-	-	-	-
5.	Dr Lim Pang Kiam	-	-	-	-
6.	Wong Pak Yii	5,338,600	2.48	-	-



ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

(CONTINUED)

LIST OF TOP 30 SHAREHOLDERS/DEPOSITORS AS AT 31 MARCH 2026

No.	Names	No. of Shares held	Percentage (%)
1.	CHEONG LAI SIN	39,170,400	18.16
2.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR FRAZEL GROUP SDN BHD	34,531,012	16.01
3.	PHILLIP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR FRAZEL GROUP SDN BHD	11,177,637	5.18
4.	PHILLIP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ENRICH SIGNATURE SDN BHD	10,000,000	4.64
5.	AMANAH RAYA BERHAD KUMPULAN WANG BERSAMA SYARIAH	8,000,000	3.71
6.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHOO KOK LIANG (M04)	6,531,900	3.03
7.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR WONG PAK YII	5,338,600	2.47
8.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LAU KIM SAN (7014763)	4,691,000	2.17
9.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEOH HAI HIN (7001329)	4,431,400	2.05
10.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SIM SHIAU TYNG	4,140,000	1.92
11.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR GOH PHAIK LIM	3,410,000	1.58
12.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHIN HIN GROUP PROPERTY BERHAD)	3,314,450	1.54
13.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHU KERD YEE (7010755)	3,170,000	1.47
14.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TOH SU SEE	3,108,100	1.44
15.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT - AMBANK (M) BERHAD FOR CHOO KOK LIANG (SMART)	3,100,000	1.44
16.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE HAI PENG	3,016,300	1.40
17.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN HWA SING (M04)	2,783,800	1.29
18.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHU KERD YEE	2,670,000	1.24
19.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE WEI KOK	2,550,000	1.18
20.	PHILLIP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR OOI CHEN SENG	2,190,000	1.02
21.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TEOH HAI HIN (MY4291)	2,000,000	0.93
22.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ONG HANG PING (MY4667)	2,000,000	0.93

ANALYSIS OF SHAREHOLDINGS

As at 31 March 2026

(CONTINUED)

LIST OF TOP 30 SHAREHOLDERS/DEPOSITORS AS AT 31 MARCH 2026

No.	Names	No. of Shares held	Percentage (%)
23.	AMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR JOAN TOAN SIAW WEI	1,900,000	0.88
24.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG KAH HOE	1,881,000	0.87
25.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHAN KAY DING	1,810,000	0.84
26.	PHILLIP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHNG TEONG SENG	1,720,000	0.80
27.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LEE WEI KOK (M04)	1,678,000	0.78
28.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW KUM MOON (MY4159)	1,416,000	0.66
29.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN HWA SING	1,364,400	0.63
30.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR ROGER LIM SWEE KIAT (MY4576)	1,080,700	0.50
TOTAL		174,174,699	80.76

ANALYSIS OF WARRANT HOLDINGS

As at 31 March 2026

Number of outstanding Warrants : 22,131,817
Exercise price of the Warrants : RM0.54 each
Expiry date of the Warrants : 10 October 2029

DISTRIBUTION OF WARRANT HOLDINGS AS AT 31 MARCH 2026

Category	No. of Warrant Holders	No. of Warrants	Percentage (%)
Less than 100	294	12,909	0.06%
100 - 1,000	131	58,291	0.26%
1,001 - 10,000	210	815,528	3.69%
10,001 - 100,000	68	1,919,552	8.67%
100,001 - less than 5% of outstanding Warrants	20	6,641,237	30.01%
5% and above of outstanding Warrants	1	12,684,300	57.31%
Total	724	22,131,817	100.00%

LIST OF SUBSTANTIAL WARRANT HOLDINGS AS AT 31 MARCH 2026

No.	Names	Direct		Indirect	
		No. of Warrants	%	No. of Warrants	%
1.	Koh Shing Yee	12,684,300	57.31	-	-

DIRECTORS’ INTERESTS IN WARRANTS SHARES AS AT 31 MARCH 2026

No.	Names	Direct		Indirect	
		No. of Warrants	%	No. of Warrants	%
1.	Lee Hai Peng	1,000,000	4.52	-	-
2.	Er Kian Hong	-	-	-	-
3.	Datuk Low Chin Koon	-	-	-	-
4.	Teh Boon Beng	-	-	-	-
5.	Dr Lim Pang Kiam	-	-	-	-
6.	Wong Pak Yii	-	-	-	-

ANALYSIS OF WARRANT HOLDINGS

As at 31 March 2026

(CONTINUED)

LIST OF TOP 30 SHAREHOLDERS/DEPOSITORS AS AT 31 MARCH 2026

No.	Names	No. of Warrants held	Percentage (%)
1.	KOH SHING YEE	12,684,300	57.31
2.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LEE HAI PENG	1,000,000	4.52
3.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR KOH YI HAO	932,000	4.21
4.	CHA WEAY CHIA	789,900	3.57
5.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOK BOON CHENG	479,900	2.17
6.	TAN HWA SENG	405,000	1.83
7.	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR SARAH LAM WENG YEE	360,037	1.63
8.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR KOH YI HAO	330,900	1.49
9.	HOW BEE LAY	315,400	1.42
10.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR CHU KERD YEE (M01)	248,000	1.12
11.	AFFIN HWANG NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LIM GAIK ENG (LIM4779C)	238,000	1.08
12.	NG WAI LUEN	204,700	0.92
13.	TA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIAU BENG SOO	200,200	0.90
14.	RHB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOK AI TEE	192,100	0.87
15.	TAN ENG BEE	162,800	0.74
16.	LOW KUM MOON	150,000	0.68
17.	TAN POH CHEOK	136,700	0.62
18.	MAYBANK NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHANG BAT CHAU	136,000	0.61
19.	NG HENG OON	119,200	0.54
20.	TAN SOON CHONG	106,600	0.48
21.	HOW LIAN YEONG	103,800	0.47
22.	KENANGA NOMINEES (TEMPATAN) SDN BHD RAKUTEN TRADE SDN BHD FOR LIEW JOR HO	99,900	0.45
23.	LEE KEAN ENG	80,000	0.36
24.	SU MING YAW	68,437	0.31
25.	KHOR SIEW CHOO	67,800	0.31
26.	LAU NIAN CHOON	67,800	0.31
27.	OW KEE TEIK	65,000	0.29
28.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHIAU THEAN BEE (7003315)	63,400	0.29
29.	PENG LI VERN	60,000	0.27
30.	LAU WATT HONG	50,000	0.23
TOTAL		19,917,874	90.00

LIST OF PROPERTIES

Held by the Group as at 31 December 2025

Registered Owner(s)	Location	Description/ Existing Use	Tenure of Land	Land Area/ Built-up Area	Issuance date of Certificate of Fitness	Net book value as at 31 December 2025 (RM'000)
KSSC	Lot 3707, Jalan 7/5, Taman Industri Selesa Jaya, 43300 Balakong, Selangor Darul Ehsan	Double storey office cum factory/ Administration and Trading Office and Manufacturing and Processing Plant	Freehold	14,796 square metre/7,580.90 square metres	10 September 2003	5,394
KSSC	102 and 102A, Jalan Keris Taman Sri Tebrau, 80050 Johor Bahru, Johor Darul Takzim	Double storey shophouses/For rental income purposes	Freehold	163,509 square metres/237.832 square metres	9 January 1977	37
TTH	No. 3, Jalan Perniagaan Setia 1/8, Taman Perniagaan Setia, 81100 Johor Bahru, Johor Darul Takzim.	One and a Half- storey Cluster Factory/For light industrial purposes	Freehold	1,945 square metres/1,217.46 square metres	18 February 2013	4,389
KOSENG	PT 73964, Jalan Bestari 2A/KU7, Taman Perindustrian Kapar Bestari, 42200 Kapar, Selangor Darul Ehsan.	Single-storey detached factory annexed with three- storey office building/For light industrial purposes	Freehold	5,037 square metres/2,799 square metres	8 November 2018	14,715
EIE Industrial Products Sdn. Bhd.	No. 16, Jalan TS 6/9, Taman Perindustrian Subang, 47500 Subang Jaya, Selangor.	One and a half-storey semi-detached factory/For light industrial purposes	Leasehold (99 years) (Expiring on 25 January 2114)	724 square metres/578.77 square metres	26 January 2015	3,187

NOTICE OF FORTY-FIRST (“41ST”) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 41st Annual General Meeting (“AGM”) of K. Seng Seng Corporation Berhad (“KSSC” or the “Company”) will be held at Unit 8-5, Kompleks Komersil Akasa, Jalan Akasa, Akasa Cheras Selatan, 43300 Seri Kembangan, Selangor Darul Ehsan on Thursday, 28 May 2026 at 10:00 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS:

- | | |
|--|---|
| 1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon. | <i>Please refer to Explanatory Note (a)</i> |
| 2. To approve the payment of Directors’ Fees up to RM225,000 for the financial year ending 31 December 2026 and until the next AGM in 2027. | Ordinary Resolution 1
<i>Explanatory Note (b)</i> |
| 3. To approve the payment of Directors’ Benefits up to RM28,000 for the period commencing from 29 May 2026 until the next AGM in 2027. | Ordinary Resolution 2
<i>Explanatory Note (b)</i> |
| 4. To re-elect Datuk Low Chin Koon, who retires in accordance with Clause 92 of the Company’s Constitution and being eligible, has offered himself for re-election. | Ordinary Resolution 3
<i>Explanatory Note (c)</i> |
| 5. To re-elect the following Directors, who retire in accordance with Clause 99 of the Company’s Constitution and being eligible, have offered themselves for re-election: | |
| (a) Mr Wong Pak Yui | Ordinary Resolution 4 |
| (b) Mr Ng Heng Hong | Ordinary Resolution 5
<i>Explanatory Note (c)</i> |
| 6. To re-appoint Messrs HLB Ler Lum Chew PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration. | Ordinary Resolution 6
<i>Explanatory Note (d)</i> |

SPECIAL BUSINESS:

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

- | | |
|--|---|
| 7. Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016 | Ordinary Resolution 7
<i>Explanatory Note (e)</i> |
| <p>“THAT, subject always to the Companies Act 2016, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Constitution of the Company and the approvals of the relevant governmental/regulatory authorities, if applicable, the Directors be and are hereby empowered, pursuant to Sections 75 and 76 of the Companies Act 2016, to issue and allot shares in the Company, grant rights to subscribe for shares in the Company, convert any security into shares in the Company, or allot shares under an agreement or option or offer at any time and from time to time at such price and upon such terms and conditions and for such purposes and to such person or persons as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued and allotted pursuant to this resolution does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being.</p> | |

AND THAT the Directors be and are also empowered to obtain the approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad.

NOTICE OF FORTY-FIRST ("41ST") ANNUAL GENERAL MEETING

7. **AND FURTHER THAT** such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next Annual General Meeting is required by law to be held or revoked/varied by resolution passed by the shareholders in general meeting, whichever is the earlier."

Ordinary Resolution 7

Explanatory Note (e)

(continued)

8. **Proposed Authority for Share Buy-Back**

Ordinary Resolution 8

Explanatory Note (f)

"THAT subject to the provisions of the Companies Act 2016 ("Act"), the Constitution of the Company, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia Securities") and any other applicable laws, guidelines, rules and regulations for the time being in force, the Company be and is hereby authorised to purchase such number of ordinary shares in the Company ("KSSC Shares") as may be determined by the Directors from time to time through Bursa Malaysia Securities upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company, provided that the aggregate number of KSSC Shares purchased pursuant to this resolution shall not exceed ten per centum (10%) of the Company's total number of issued shares as at the point of purchase(s);

THAT the maximum amount of funds to be allocated for the purpose of purchasing its own shares shall not exceed the aggregate of the retained profits of the Company based on the latest audited/unaudited financial statements of the Company (where applicable) available at the time of the purchase(s);

THAT authority be and is hereby given to the Directors to decide at their discretion, as may be permitted and prescribed by the Act and/or any prevailing laws, rules, regulations, orders, guidelines and requirements issued by the relevant authorities for the time being in force to deal with any of KSSC Shares so purchased by the Company in the following manners:

- (i) the KSSC Shares so purchased could be cancelled or transferred; or
- (ii) the KSSC Shares so purchased could be retained as treasury shares for distribution as dividends or bonus shares to the shareholders of the Company and/or be resold through Bursa Malaysia Securities in accordance with the relevant rules of Bursa Malaysia Securities and/or transferred in accordance with the Act and/or be cancelled subsequently; or
- (iii) combination of items (i) and (ii) above;

THAT the authority conferred by this resolution will be effective immediately from the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next Annual General Meeting ("AGM") of the Company, at which time the said authority would lapse, unless by an ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM of the Company is required by law to be held; or
- (c) the authority is revoked or varied by an ordinary resolution of the shareholders of the Company in a general meeting,

whichever occurs first;

NOTICE OF FORTY-FIRST (“41ST”) ANNUAL GENERAL MEETING

8. **AND THAT** the Directors be and are hereby authorised to take such steps as are necessary or expedient to implement or to effect the purchase(s) of the KSSC Shares with full power to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities and to take all such steps as they may deem necessary or expedient in order to implement, finalise and give full effect in relation thereto.”
9. To transact any other business for which due notice shall have been given in accordance with the Company’s Constitution and the Companies Act 2016.

Ordinary Resolution 8

Explanatory Note (f)
(continued)

BY ORDER OF THE BOARD,

KHOO MING SIANG (MAICSA 7034037) (SSM PC No. 202208000150)

CHAN MIN WAI (MIA 26548) (SSM PC No. 202108000131)

YIP WEI LUN (MIA 47569) (SSM PC No. 202208000373)

Company Secretaries

Selangor Darul Ehsan

29 April 2026

NOTES:

1. A member of the Company entitled to attend and vote at the meeting may appoint up to two (2) proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy in the case of an individual, shall be signed by the appointer or his/her attorney or in the case of a corporation, executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) as defined under the Securities Industry (Central Depositories) Act 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. To be valid, this form may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:

(i) In hardcopy form

The proxy form shall be deposited at the Company’s Share Registrar’s office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur or alternatively deposit in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic means

Alternatively, the proxy form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal (“the Portal”) at <https://srmy.vistra.com>.

NOTICE OF FORTY-FIRST ("41ST") ANNUAL GENERAL MEETING

6. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 21 May 2026 shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 41st AGM will be put to vote by way of a poll.

EXPLANATORY NOTES:

(a) Audited Financial Statements for financial year ended 31 December 2025

The audited financial statements under Agenda 1 are meant for discussion only, as the provision of Section 340(1)(a) of the Companies Act 2016 does not require shareholders' approval. Hence, this Agenda will not be put forward for voting.

(b) Ordinary Resolutions 1 and 2: Payment of Directors' Fees and Benefits

Pursuant to Section 230(1) of Companies Act 2016, the shareholders' approval is sought for the proposed payment of Directors' Fees for financial year ending 31 December 2026 and until the next AGM in 2027, as well as Benefits to the Non-Executive Directors ("NEDs"). The calculation of the benefits which include meeting allowance is based on the estimated number of scheduled and/or special Board and Board Committees' meetings and on the assumption that the number of NEDs in office until the next AGM remains the same.

(c) Ordinary Resolutions 3, 4 and 5: Re-election of Directors

Clause 92 of the Company's Constitution provides that an election of Directors shall take place each year at the annual general meeting of the Company where one third (1/3) of the Directors for the time being, or, if their number is not three (3) or a multiple of three (3), then the number nearest to one third (1/3) shall retire from office and be eligible for re-election PROVIDED ALWAYS THAT all Directors shall retire from office once at least in each three (3) years but shall be eligible for re-election.

Clause 99 of the Company's Constitution provides that any Director appointed either to fill a casual vacancy or as an addition to the existing Directors shall hold office only until next annual general meeting, and shall then be eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at that meeting.

The Board through its Nomination and Remuneration Committee had assessed the retiring Directors and agreed that they meet the fit and proper criteria prescribed in the Fit & Proper Policy of the Company.

The profiles of the retiring Directors standing for re-election are set out in the Annual Report 2025.

(d) Ordinary Resolution 6: Re-appointment of Auditors

The Board and Audit and Risk Management Committee had at their respective meetings on 15 April 2026 recommended the re-appointment of Messrs HLB Ler Lum Chew PLT for the financial year ending 31 December 2026. Messrs HLB Ler Lum Chew PLT have met the criteria prescribed under the Paragraph 15.21 of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad and indicated their willingness to continue their services for the next financial year.

NOTICE OF FORTY-FIRST ("41ST") ANNUAL GENERAL MEETING

(e) Ordinary Resolution 7: Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016

The Company had during its 40th AGM held on 28 May 2025 obtained from its shareholders, a general mandate pursuant to Sections 75 and 76 of the Companies Act 2016 to issue and allot shares in the Company up to an amount not exceeding 10% of the total number of issued shares of the Company.

The proposed Ordinary Resolution 7 is a renewal of the general mandate for issuance of shares by the Company under Sections 75 and 76 of the Companies Act 2016, if passed, will give authority to the Directors of the Company to issue and allot shares in the Company, grant rights to subscribe for shares, convert any security into shares or allot shares under an agreement or option or offer from time to time and for such purposes as the Directors consider would be in the best interest of the Company ("Renewed Mandate") provided that the aggregate number of shares issued pursuant to this resolution shall not exceed 10% of the total number of issued shares of the Company for the time being. This Renewed Mandate will, unless revoked or varied by the Company in general meeting, expire at the conclusion of the next Annual General Meeting of the Company or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

The Renewed Mandate will provide flexibility to the Company to issue and allot shares for funds raising, including but not limited to placing of shares, for purpose of funding future investment projects and/or working capital and/or acquisitions, and/or repayment of borrowings, and/or debt settlement/repayment, without further delay and cost in convening general meetings to approve such issuance of shares.

As at the date of this notice, no new shares in the Company were issued pursuant to the general mandate granted to the Directors at the 40th AGM which will lapse at the conclusion of the 41st AGM.

(f) Ordinary Resolution 8: Proposed Authority for Share Buy-Back

The proposed adoption of Ordinary Resolution No. 8, if passed, will enable the Company to purchase its own shares of up to ten per centum (10%) of the total number of issued shares of the Company at any time within the time period stipulated in the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Unless revoked or varied by the Company in a general meeting, this authority will expire at the conclusion of the next AGM of the Company.

Please refer to the Statement to Shareholders dated 29 April 2026 for further information.

STATEMENT ACCOMPANYING THE NOTICE OF 41ST ANNUAL GENERAL MEETING

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

1. Details of individual who are standing for election as Directors (excluding Directors standing for re-election)

No individual is standing for election as a Director at the 41st AGM of the Company.

2. General mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad

The Company will seek shareholders' approval on the general mandate for issue of securities in accordance with Paragraph 6.03(3) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. Please refer to the Explanatory Note (e) as stated in the Notice of the 41st AGM of the Company for details.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to participate at the Annual General Meeting 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 Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (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.

FORM OF PROXY



誠成集團

K. SENG SENG CORPORATION BERHAD

Company No.: 198501000983 (133427-W)

No. of Ordinary Shares Held	
CDS Account No.	

I/We _____ *NRIC/Passport/Company No. _____
(FULL NAME IN BLOCK LETTERS)

of _____
(FULL ADDRESS)

with email address _____ contact no. _____

being a member/members of **K. SENG SENG CORPORATION BERHAD** hereby appoint:-

FIRST PROXY

Full Name (in Block Letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Contact Number:			

and/or* (*delete as appropriate)

SECOND PROXY

Full Name (in Block Letters)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address:			
Email Address:			
Contact Number:			

or failing him/her, the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 41st Annual General Meeting of the Company to be held at Unit 8-5, Kompleks Komersil Akasa, Jalan Akasa, Akasa Cheras Selatan, 43300 Seri Kembangan, Selangor Darul Ehsan on Thursday, 28 May 2026 at 10:00 a.m. My/our proxy/proxies is/are to vote as indicated below:-

(Please indicate with a "V" or "X" in the space provided how you wish your vote to be cast. If no instruction as to voting is given, the proxy may vote or abstain from voting at his/her discretion).

		FIRST PROXY		SECOND PROXY	
		For	Against	For	Against
ORDINARY RESOLUTIONS					
1.	To approve the payment of Directors' Fees up to RM225,000 for the financial year ending 31 December 2026 and until the next AGM in 2027.				
2.	To approve the payment of Directors' Benefits up to RM28,000 for the period commencing from 29 May 2026 until the next AGM in 2027.				
3.	To re-elect Datuk Low Chin Koon, who retires in accordance with Clause 92 of the Company's Constitution.				
4.	To re-elect Mr Wong Pak Yii, who retires in accordance with Clause 99 of the Company's Constitution.				
5.	To re-elect Mr Ng Heng Hong, who retires in accordance with Clause 99 of the Company's Constitution.				
6.	To re-appoint Messrs HLB Ler Lum Chew PLT as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Directors to fix their remuneration.				
7.	Authority to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.				
8.	Proposed Authority for Share Buy-Back.				

Dated this _____ day of _____ 2026

Signature of Shareholder(s)/Common Seal

Notes :

1. A member of the Company entitled to attend and vote at the meeting may appoint up to two (2) proxies (or being a corporate member, a corporate representative) to attend and vote in his/her stead. A proxy may but need not be a member of the Company.
2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he/she specifies the proportions of his/her shareholdings to be represented by each proxy.
3. The instrument appointing a proxy in the case of an individual, shall be signed by the appointer or his/her attorney or in the case of a corporation, executed under its common seal or signed on behalf of the corporation by its attorney or by an officer duly authorised.
4. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. To be valid, this form may be made via hardcopy or by electronic means in the following manners and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the Meeting or at any adjournment thereof at which the person named in the appointment proposes to vote:

(i) In hardcopy form

The proxy form shall be deposited at the Company's Share Registrar's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur or alternatively deposit in the drop-in box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur.

(ii) By electronic means

Alternatively, the proxy form can be electronically lodged with the Share Registrar of the Company via Vistra Share Registry and IPO (MY) portal ("the Portal") at <https://srmy.vistra.com>.

6. In respect of deposited securities, only members whose names appear in the Record of Depositors as at 21 May 2026 shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his/her behalf.
7. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 41st AGM will be put to vote by way of a poll.

AFFIX STAMP

THE SHARE REGISTRAR OF
K. SENG SENG CORPORATION BERHAD
(Registration No. 198501000983 (133427-W))

c/o 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,
Wilayah Persekutuan, Malaysia.

REQUEST FORM FOR PRINTED COPY OF K. SENG SENG CORPORATION BERHAD ANNUAL REPORT 2025

To: K. Seng Seng Corporation Berhad
Lot 3707, Jalan 7/5, Taman Industri
Selesa Jaya, 43300 Balakong,
Selangor

Please find below my complete particulars for the delivery of a printed copy of KSSC Annual Report 2025:

Particulars of Shareholder

Name:

Identity Card No./Passport No./Company No.:

CDS Account No.:

Mailing Address:

Contact No.:

Date:

Signature of Shareholder:

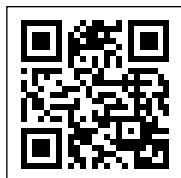
Name:



Lot 3707, Jalan 7/5,
Taman Industri Selesa Jaya,
43300 Balakong, Selangor

Tel: +603-8961-5555 (Hunting Line)
Fax: +603-8962-6666 (Marketing)
Tel: +603-8962-1111 (Accounts)

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