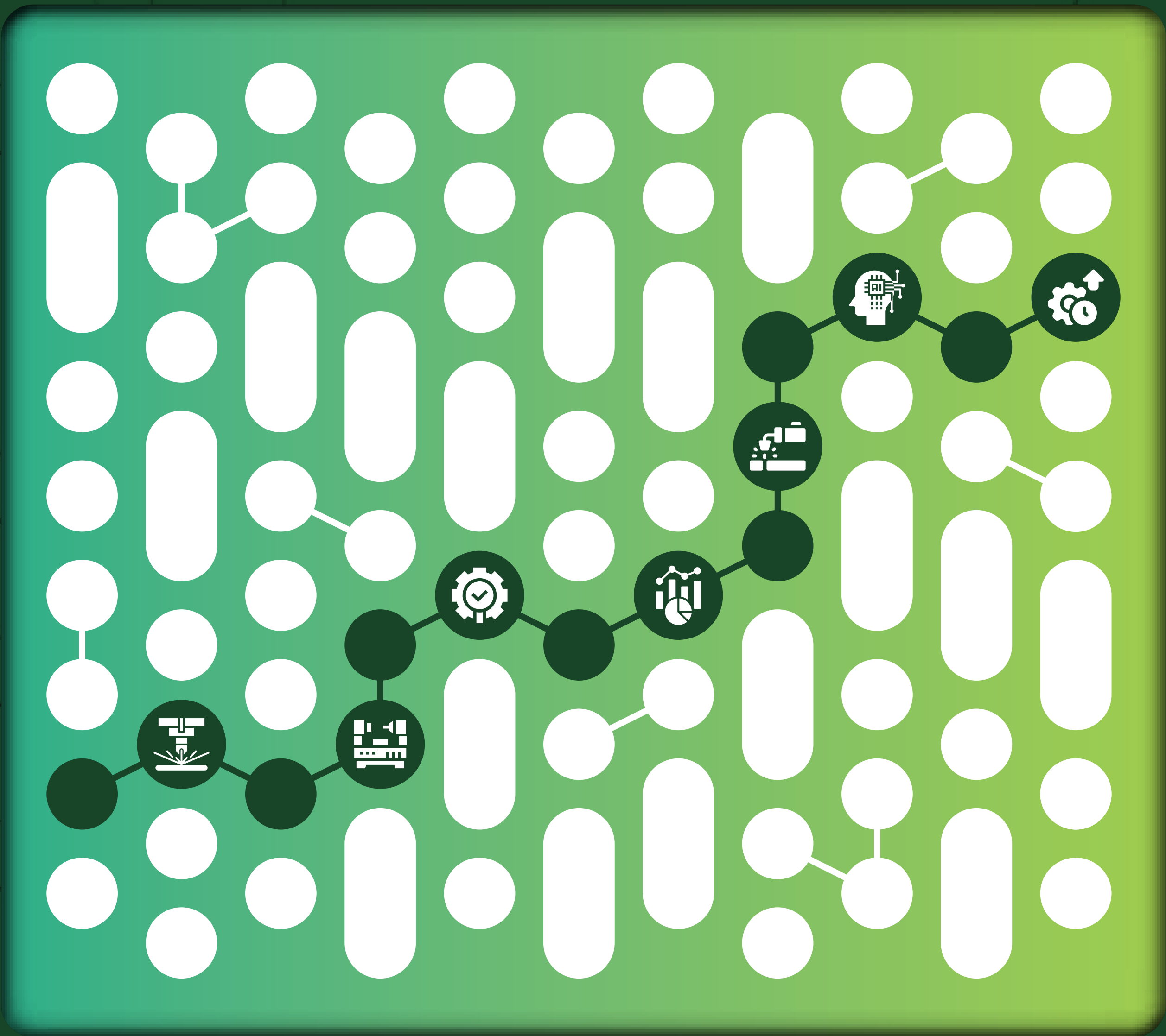
KEIN HING INTERNATIONAL BERHAD [200301013636 (616056-T)]
(Incorporated in Malaysia)



Connecting Intelligence Engineering the Future

ANNUAL REPORT
2026

CORPORATE PROFILE

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

INSIDE THIS **REPORT**

Please scan the QR code to read or download our digital copy of Annual Report 2026.

23RD ANNUAL GENERAL MEETING

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

DATE
Thursday,
15 October 2026

TIME
10.00 a.m.

CORPORATE INFORMATION

BOARD OF DIRECTORS

DARSAN SINGH A/L BALWANT SINGH
(Chairman / Independent Non-Executive Director, *appointed on 26 June 2026*)

YONG ELAINE
(Executive Director, *redesignated on 26 June 2026*)

YAP TOON CHOY
(Group Managing Director)

KHOR YEW CHYE
(Senior Independent Non-Executive Director)

JANCY OH SUAN TIN
(Independent Non-Executive Director)

LOW KHOON BOON
(Independent Non-Executive Director)

GAN POH CHAN
(Independent Non-Executive Director)

AUDIT AND RISK MANAGEMENT COMMITTEE

JANCY OH SUAN TIN
(Chairman)

KHOR YEW CHYE
(Member)

LOW KHOON BOON
(Member)

GAN POH CHAN
(Member)

NOMINATING COMMITTEE

KHOR YEW CHYE
(Chairman)

JANCY OH SUAN TIN
(Member)

LOW KHOON BOON
(Member)

REMUNERATION COMMITTEE

KHOR YEW CHYE
(Chairman)

JANCY OH SUAN TIN
(Member)

LOW KHOON BOON
(Member)

COMPANY SECRETARY

NG YIM KONG (MACS 00305)
SSM Practicing Certificate
No. 202008000309

REGISTERED OFFICE

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

AUDITORS

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

SOLICITORS

MESSRS. JEFF LEONG, POON & WONG
B-11-8, Level 11,
Megan Avenue II,
Jalan Yap Kwan Seng,
50450 Kuala Lumpur, Malaysia.
Tel : +603 - 2203 3388
Fax : +603 - 2203 3399

PRINCIPAL BANKERS

OCBC Bank (Malaysia) Berhad
Public Bank Berhad

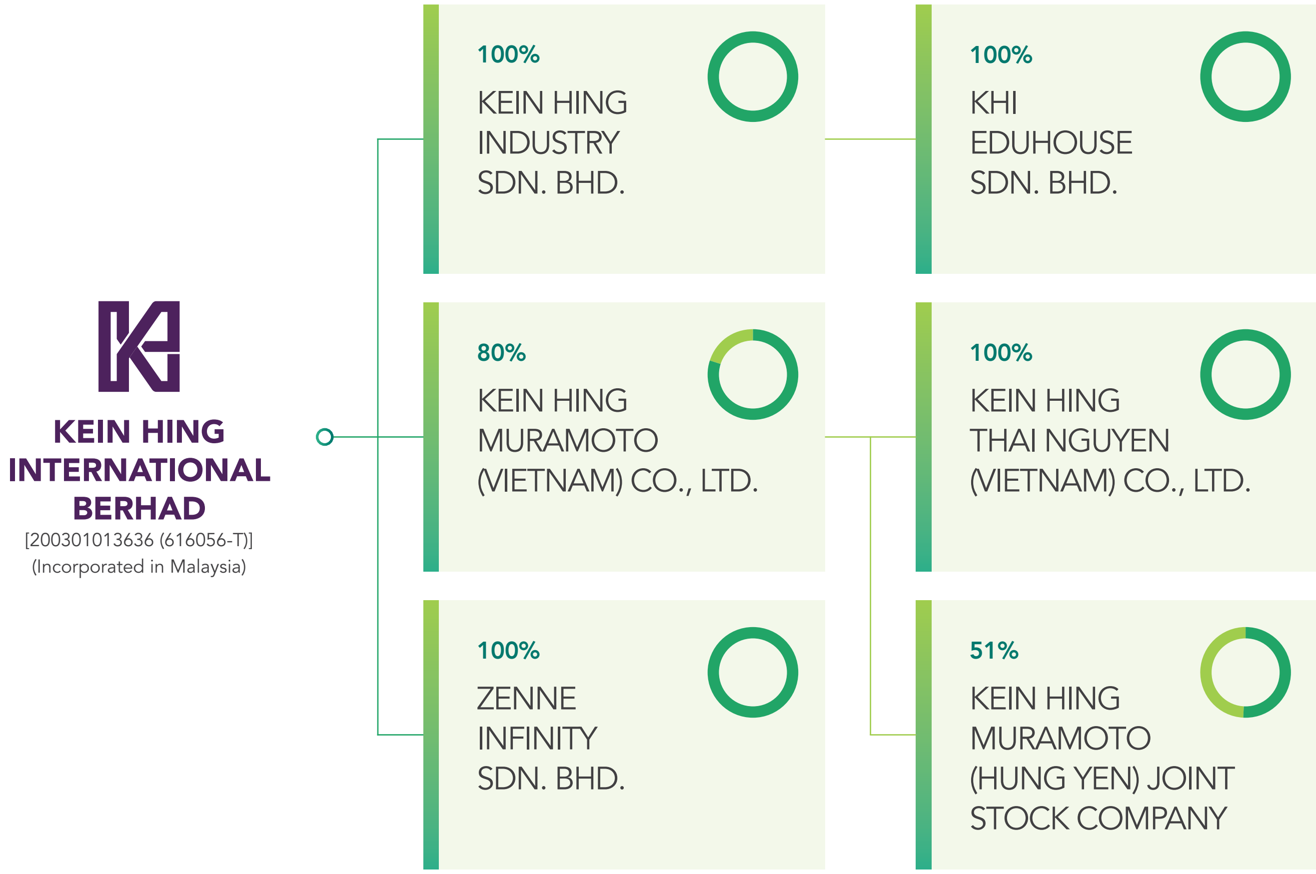
REGISTRAR

TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.
Unit 32-01, Level 32,
Tower A, Vertical Business Suite,
Avenue 3, Bangsar South,
No. 8, Jalan Kerinchi,
59200 Kuala Lumpur, Malaysia.
Tel : +603 - 2783 9299
Fax : +603 - 2783 9222

STOCK EXCHANGE LISTING

MAIN MARKET OF BURSA MALAYSIA SECURITIES BERHAD ("BURSA SECURITIES")
Stock Name : Keinhin
Stock Code : 7199

CORPORATE STRUCTURE

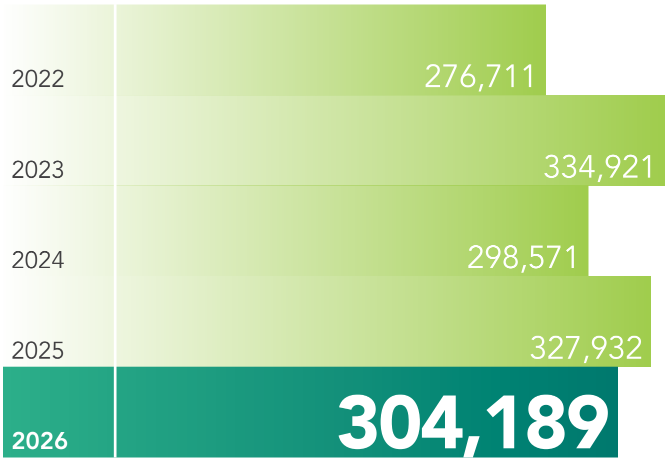


COMPANY	PRINCIPAL ACTIVITIES
SUBSIDIARIES	
Kein Hing Industry Sdn. Bhd. *[198101002290 (68403-W)]* *Incorporated in Malaysia*	Sheet metal forming, precision machining, component assembly and manufacture and sales of gas appliances
Kein Hing Muramoto (Vietnam) Co., Ltd. *(012023000006)* *Incorporated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

5-YEAR FINANCIAL HIGHLIGHTS

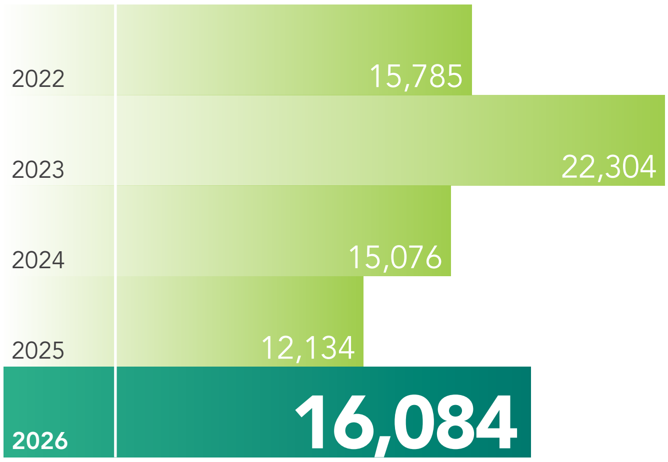
REVENUE

(RM'000)



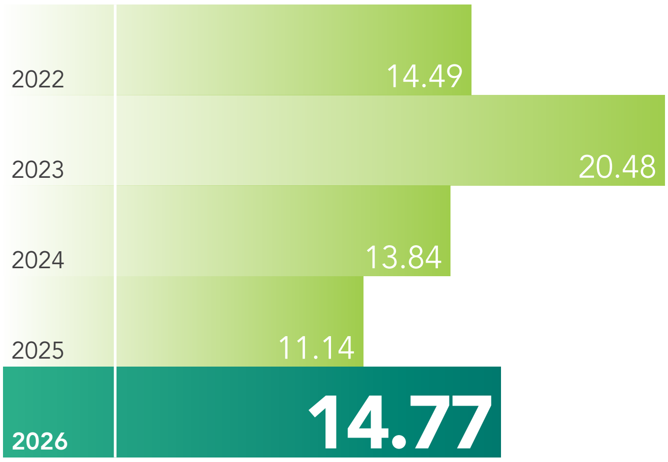
PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

(RM'000)



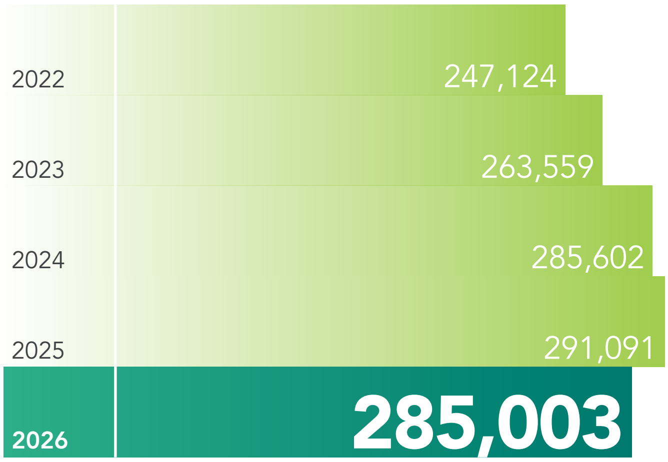
BASIC EARNINGS PER ORDINARY SHARE

(sen)



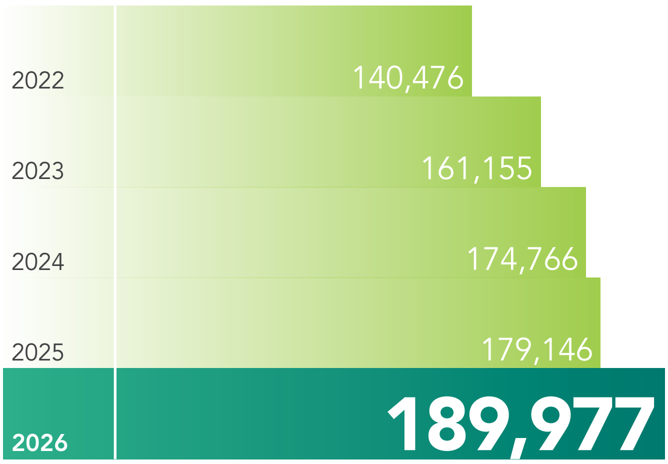
TOTAL ASSETS

(RM'000)



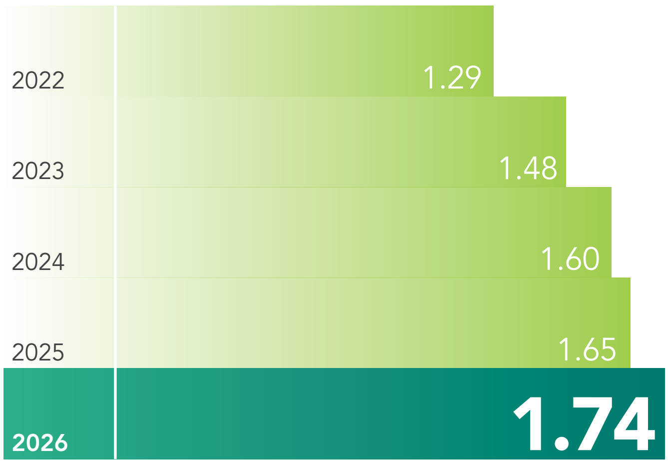
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY

(RM'000)



NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(RM)



PROFILE OF THE DIRECTORS

DARSAN SINGH A/L BALWANT SINGH

Chairman / Independent Non-Executive Director

AGE	GENDER	NATIONALITY
72	M	

Darsan Singh A/L Balwant Singh was reappointed to the Board of Directors of Kein Hing International Berhad ("KHIB") on 26 June 2026. He was also appointed as Chairman of KHIB. Previously, from 2007 to 2023, he served as the Board Chairman (Independent and Non-Executive Director) of KHIB with experience in non-executive oversight.

He obtained a Bachelor of Law (Honours) degree from the University of Buckingham, United Kingdom in 1980 and went on to complete his Bar at Grays Inn, London, United Kingdom. He was called to the Bar of England and Wales, United Kingdom in 1981 and was admitted to the Malaysian Bar the following year.

He began his career in Balwant Singh & Co. in 1982 which was his father's practice in 1985. He has been an active practicing lawyer in various areas such as corporate and commercial, conveyancing and litigation. In 1987, he set up Darshan, Chong & Co. and is currently the senior partner of the firm.

At present, he sits on the Board of Directors of several other private limited companies but he does not hold any directorship in other public companies. He does not have any family relationships with any Director and/or major shareholders of KHIB. He does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

He is currently the Chairman of the Board of Directors.

YAP TOON CHOY

Group Managing Director

AGE	GENDER	NATIONALITY
70	M	

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

In 1981, he became a Director of Kein Hing Industry Sdn. Bhd. ("KHI") and was subsequently appointed as the Managing Director in 1983. Since his involvement in 1981, he has envisioned that the metal stamping/forming industry would form the basic foundation of any developed country and this has spurred his dedication in this industry. Over the years in KHI, he gained valuable experience and technical knowhow especially through dealings with his Japanese counterparts. With over 42 years of experience in the metal stamping and forming industry, he is the driving force behind the Group and actively oversees its key operations.

He currently sits on the Board of Directors of several other private limited companies but he does not hold any directorship in other public companies. Yap Toon Choy is the spouse of Yong Elaine, who is the Executive Director and major shareholder of KHIB. Save for the recurrent related party transactions disclosed in the Circular to Shareholders dated 28 August 2026, he does not have any conflict of interest with KHIB. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

He has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2026.

PROFILE OF THE DIRECTORS

YONG ELAINE

Executive Director, redesignated on 26 June 2026

AGE	GENDER	NATIONALITY
67	F	Singapore

Yong Elaine was appointed to the Board of Directors of KHIB on 9 August 2004. On 1 June 2023, she was redesignated as Executive Chairman of KHIB. Subsequent to the financial year, she was redesignated as Executive Director of KHIB with immediate effect from 26 June 2026.

She obtained a Bachelor of Arts degree in Business Administration majoring in Banking and Finance from the Washington State University, USA in 1981. During her stay in the USA, she participated in the provision of management counseling services to the business community in Washington State, USA. She started her career in 1982 as Executive Trainee at Wing On Life Assurance (H.K.) Pte Ltd in Singapore.

She currently sits on the Board of Directors of several other private limited companies but she does not hold any directorship in other public companies. Yong Elaine is the spouse of Yap Toon Choy, who is the Group Managing Director and major shareholder of KHIB. Save for the recurrent related party transactions disclosed in the Circular to Shareholders dated 28 August 2026, she does not have any conflict of interest with KHIB. She has no conviction for any offence within the past five (5) years other than traffic offences, if any.

She has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2026.

KHOR YEW CHYE

Senior Independent Non-Executive Director

AGE	GENDER	NATIONALITY
77	M	Malaysia

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

In 1983, he joined Sime Lease Sdn. Bhd. as a Manager looking after the business of Industrial Hire Purchase for industrial equipment and motor vehicles. He was subsequently appointed as the Managing Director of Sime Lease (M) Sdn. Bhd. and Sime Credit (M) Sdn. Bhd. in 1997. He also managed Hertz Car Rental (another subsidiary of Sime Darby Group) during the period from 2003 to 2007. Effective from 2007, he was repositioned as an Executive Director of BMW Credit Malaysia Sdn. Bhd. (formerly known as Sime Credit (M) Sdn. Bhd.) overseeing the business of Industrial Hire Purchase. He retired in 2009 but continued to serve BMW under an Advisory Contract and was tasked to set up the Office of BMW Finance in Singapore catering for financing of industrial and motor vehicle business. The Advisory Contract was ended in 2013.

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

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

He has attended 4 out of 5 board meetings of KHIB held during the financial year ended 30 April 2026.

PROFILE OF THE DIRECTORS

JANCY OH SUAN TIN

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
53	F	Malaysian flag

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

She started her career in the Hong Leong Group in 1997 and later joined DuPont Malaysia Sdn. Bhd. in 2001, a US multinational company that was based in Shah Alam, Malaysia and then the KLK Group under Palm Oleo Sdn. Bhd. before joining LTKM Berhad in 2008. Her areas of experience include accounting, financial reporting, internal audit and controls, taxation and corporate related areas. She is currently responsible for the overall financial and reporting functions in LTKM Berhad Group. She also serves as an Independent Non-Executive Director at SBS Nexus Berhad since 5 November 2024.

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

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

She has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2026.

LOW KHOON BOON

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
67	M	Malaysian flag

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

In 1982, he joined Supreme Leasing Sdn. Bhd. as Marketing Executive and after 1.5 years, he was promoted to Senior Marketing Executive. In 1987, he was a member of the team which turned around the loss-making Perkasa Finance Berhad (subsequently merged with Hong Leong Bank) to be operationally profitable after a year. He was the Assistant Manager responsible for developing new business for hire purchase and leasing. In 1989, he joined Sime Credit (M) Sdn. Bhd. as Deputy Manager to develop and expand the company from a loan portfolio of RM15 million to RM230 million before he left in 1996. In 1996, he joined Multi-Purpose Credit Sdn. Bhd. as Assistant General Manager, and later as General Manager and Director and was responsible for setting up and overall management of the hire purchase and leasing department. In 2002, he was the General Manager of both Branch Operation and Equipment Financing of Sime Credit (M) Sdn. Bhd.. He was also a member of the Management Committee. In 2007, he was the Head of Equipment Financing and Corporate Accounts of BMW Credit (M) Sdn. Bhd. of BMW Group Financial Services. He was also a member of the Executive Committee (EXCO). During 2019-2024, he was the General Manager (Consultant) of BMW Credit (M) Sdn. Bhd. in mentoring and advising the Head of Corporate Accounts (Equipment Financing), and developing and maintaining business relationship with core customers and vendors. He was the Vice Chairman of Asset Financing and Leasing Association of Malaysia (AFLAM) from 2008-2024.

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

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

He has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2026.

PROFILE OF THE DIRECTORS

GAN POH CHAN

Independent Non-Executive Director

AGE	GENDER	NATIONALITY
56	M	

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

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

Prior to this, he was a Sales/Operation Executive from January 1990 to 30 April 1991 in Bunga Lawas Shipping Agency which provided the service of Semi Containerized Vessel. He was responsible for all day to day sales matters involving Russian Agency (Blasco, Odessa and Fesco) but joined Fedric Freight as Sales Executive from May 1991 to December 1992. He was an Assistant Manager in Handling System as agent for Sinsov and ABC Lines which fully containerizes services to Europe, Gulf, Russia, USA and Australia, and was transferred to run Antwerp Bulk Carrier (ABC Lines) which was fully responsible for all commercial and operation matters from November 1994 to April 1995. He then joined the Newship Group which is a member of Kuok Singapore in 1995 and held this post until January 2011 before his current position in Hyundai Merchant Marine.

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

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

He has attended all the 5 board meetings of KHIB held during the financial year ended 30 April 2026.

PROFILE OF THE KEY SENIOR MANAGEMENT

YAP TOON CHOY

Group Managing Director

AGE	GENDER	NATIONALITY
70	M	

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

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

SHINGO MURAMOTO

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

AGE	GENDER	NATIONALITY
79	M	

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

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

YONG ELAINE

Executive Director, redesignated on 26 June 2026

AGE	GENDER	NATIONALITY
67	F	

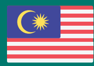
Yong Elaine serves as Executive Director of KHIB since 9 August 2004. She also serves as the Executive Director of KHI since 1984. She has over 30 years of experience liaising with various banks and leasing companies regarding funding and treasury management. With her finance background and the relevant experience, she has been actively involved in corporate finance of KHIB, core treasury functions in areas of cash management, planning and control, and financing activities of KHI over a few decades.

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

PROFILE OF THE KEY SENIOR MANAGEMENT

KOK MUN CHOON

Financial Controller

AGE	GENDER	NATIONALITY
55	M	

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

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

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

ANA LOW

Senior Manager, Purchasing

AGE	GENDER	NATIONALITY
57	F	

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

With her decades of experience in Purchasing, she is also responsible for the implementation of the policies, standards and procedures particularly on the procurement of raw materials from various sources, local and overseas steel service centers. Throughout her 34 years with KHI, she has been coordinating various meetings and discussions with customers, local and overseas suppliers and the Authorities particularly for the import of steel materials.

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

PROFILE OF THE KEY SENIOR MANAGEMENT

CHYE NYUK FONG

Senior Manager, Production

AGE	GENDER	NATIONALITY
54	F	Malaysian

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

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

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

CHAIRMAN'S STATEMENT

On behalf of the Board of Directors of Kein Hing International Berhad ("KHIB"), I am pleased to present the Annual Report and Audited Financial Statements of the Group and the Company for the financial year ended 30 April 2026.

OPERATING ENVIRONMENT

According to the International Monetary Fund's (IMF) April 2026 World Economic Outlook, global economic growth is projected to moderate to 3.1% in 2026 and 3.2% in 2027. The global outlook remains clouded by downside risks, particularly the threat of severe energy market disruptions stemming from escalating geopolitical conflicts. The duration and scale of the conflict and the time it will take for energy production and transit to normalise after the end of hostilities will determine the ultimate size of the shock to the global economy.
(Source: World Economic Outlook April 2026)

Despite these external headwinds, Malaysia's economic performance remained resilient. The domestic economy grew by 5.2% in 2025 (2024: 5.1%), supported by strong domestic demand. Furthermore, investment activity saw robust growth, fueled by the advancement of multi-year infrastructure projects and high-value investment approvals in advanced manufacturing and high-technology services.
(Source: Bank Negara Malaysia Annual Report 2025; Economic and Monetary Review 2025)

GROUP REVENUE

RM304.2 MILLION

-7%

***(FYE2025:** RM327.9 million)*

NET PROFIT

RM16.1 MILLION

33%

***(FYE2025:** RM12.1 million)*

NET ASSETS

RM190.0 MILLION

6%

***(As at 30 April 2025:** RM179.1 million)*

CHAIRMAN'S STATEMENT

FINANCIAL REVIEW

The Group registered a revenue of RM304.2 million for the financial year ended 30 April 2026 (2025: RM327.9 million), representing a decrease of RM23.7 million or -7%. The decline in revenue was primarily due to weaker demand for printer parts in Vietnam, compounded by unfavourable foreign exchange translations of revenue from USD to RM during the financial year.

Despite lower revenue, the Group reported a Profit Attributable to Owners of the Company ("Net Profit") of RM16.1 million for the financial year (2025: RM12.1 million). This represents an increase of RM4.0 million, or 33%, primarily driven by a higher contribution margin, effective fixed cost controls, and lower profit attributable to non-controlling interests.

Bolstered by the Net Profit, the Equity Attributable to Owners of the Company ("Net Assets") increased from RM179.1 million as of 30 April 2025 to RM190.0 million as of 30 April 2026, representing a growth of RM10.9 million, or 6%. Thus, Net Assets per share increased from RM1.65 as of 30 April 2025 to RM1.74 as of 30 April 2026.

BUSINESS OUTLOOK AND PROSPECTS

For 2026, Bank Negara Malaysia projects the domestic economy to grow between 4% and 5%, while the World Bank similarly forecasts solid growth of 4.4%, driven primarily by resilient domestic demand. However, the near-term outlook faces considerable uncertainty. Downside risks remain prominent, fueled by geopolitical tensions in the Middle East, global trade tariffs, and potential supply chain disruptions that could elevate inflation and commodity prices.

In light of these macro-environmental variables, Kein Hing Industry Sdn. Bhd. (KHI), the Group's primary Malaysian operating subsidiary, anticipates potential fluctuations in customer demand in the coming year. To proactively manage these challenges, KHI remains highly focused on driving productivity improvements, achieving operational efficiencies, and optimising fixed costs. Crucially, these cost-management initiatives will be executed without compromising the high standard of engineering services we deliver to our customers.

In 2025, Vietnam's economy grew by an impressive 8.0%, fueled by recovering domestic demand and a strong rebound in manufacturing exports. While the World Bank projects growth to moderate to 6.8% in 2026 amid rising geopolitical headwinds and global trade fragmentation, our local operating landscape remains highly promising.

Despite broader global uncertainties, Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV") is well-positioned to capture growing demand for its manufactured parts and metal components. Leveraging its deep engineering expertise to serve a diverse base of multinational customers, KHMV is proactively exploring new avenues for expansion. We remain confident that our Vietnam Operation will sustainably drive top-line growth and continue to be a key pillar of the Group's revenue moving forward.

DIVIDENDS

The Board of Directors of the Company has proposed a First and Final Single Tier Dividend of 2.5 sen per share amounting to RM2,722,500 for the financial year ended 30 April 2026 which shall be tabled for approval by the Shareholders in the forthcoming Twenty-Third (23rd) Annual General Meeting to be held on Thursday, 15 October 2026.

ACKNOWLEDGEMENT

On behalf of the Board, we wish to express our sincere appreciation to our management team and employees for their unwavering commitment and contributions to the Group's continued success. We would also like to thank our Directors for their wise counsel throughout the year. Finally, we extend our deepest gratitude to our Shareholders, customers, business partners, and relevant Government authorities for their steadfast trust and ongoing support.

Darsan Singh A/L Balwant Singh
Chairman
18 August 2026
Seri Kembangan

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW OF GROUP'S BUSINESS AND OPERATIONS

Company profile

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

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

Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV") was incorporated on 28 August 2003 in Vietnam as a multi-member limited liability company. KHMV became a 51%-owned subsidiary of KHIB upon completion of the transfer of 51% of the Charter Capital in KHMV from KHI to KHIB on 6 September 2004. On 9 October 2018 and 23 July 2025, KHIB completed the acquisition of an additional 24% and 5% equity interest in KHMV respectively, thus making KHMV an 80%-owned subsidiary of KHIB. KHMV which is in substance an expansion and extension of KHI's core business has utilised the engineering capabilities of KHI to build its business with strong revenue growth in Vietnam over the years.

Kein Hing Thai Nguyen (Vietnam) Co., Ltd. ("KHTV") was formerly a wholly-owned subsidiary of KHIB in Vietnam which was incorporated on 11 November 2014 as a single-member limited liability company. On May 2023, KHIB entered into a Transfer Agreement with KHMV for the transfer of the entire Charter and Contributed Capital in KHTV to KHMV. The Transfer of Capital was completed on 16 June 2023, thus making KHTV a wholly-owned subsidiary of KHMV. KHTV is principally engaged in sheet metal forming, precision machining, manufacturing and fabrication of tools and dies, and assembly of components, and

it commenced business operation in May 2018. KHTV is part of the Group's overseas expansion strategy in view of the strong growth in the supporting industry in Vietnam.

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

Vision

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

Principal activities

The Group's core business segment comprises sheet metal forming, precision machining, component assembly and manufacture and sale of gas appliances which contribute 98.1% (2025: 98.4%) to the Group's revenue. The trading in Zenne gas appliances and other home appliances is another business segment but it is not significant as it only contributes 1.9% (2025: 1.6%) to the Group's revenue. The Group currently focuses more on manufacturing of parts, assembly of components and engineering services. The Group supplies parts/metal components which are used for assembly of various products by its customers as follows:

MECHANICAL PRODUCTS
Components for screen display, printer, copier, camera, etc.

HOME APPLIANCES
Components for ceiling fan, electric fan, ventilation fan, refrigerator, washing machine, air-conditioning compressor, gas cooker, etc.

AUTOMOTIVE
Components for safety belt system, car shock absorber, car body parts, etc.

SAFETY PRODUCTS
Components for air bag and MCCB

SPECIALTY PRODUCTS
Components for micro motor

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

MANAGEMENT DISCUSSION AND ANALYSIS

Manufacturing bases

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

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

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

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

Key markets

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

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

(In RM'000)	2026	%	2025	%
Malaysia	106,935	35%	110,173	34%
Vietnam	167,791	55%	187,347	57%
America	17,617	6%	17,911	6%
Europe	4,239	1%	4,904	1%
Others	7,607	3%	7,597	2%
Consolidated Total	**304,189**	**100%**	**327,932**	**100%**

Strategies in creating value

The Company's primary objective is to enhance shareholders' value through organic growth and strategic initiatives, ensuring sustainable returns on investment.

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

1. Focus on its core business of metal forming
2. Expansion in Vietnam as its main overseas manufacturing base
3. Enhancing its manufacturing capability and engineering services

MANAGEMENT DISCUSSION AND ANALYSIS

Over the years, the Group has set up three (3) factories in Vietnam under KHMV and KHTV with the aim to establish strong and well-connected manufacturing bases in Northern Vietnam, mainly servicing the existing and potential multinational corporations ("MNCs") which are situated within the industrial parks located in Hanoi, Hai Phong City, and Thai Nguyen Province.

In Malaysia, the Group has invested, and will continue to invest, in advanced machinery and equipment to enhance its manufacturing capabilities and engineering services, particularly for the automotive industry. The automotive parts and accessories segment provides significant opportunities for the fabricated metal products industry, especially given ASEAN's status as a key strategic market. Therefore, as part of its future growth strategy, KHI will continue to focus on improving its engineering capabilities for the production of components used in airbag systems, safety belt systems, shock absorbers, and other automotive body parts.

Furthermore, the Group's successful partnerships with MNCs demonstrate its ability to meet the stringent quality standards these organizations require. This is exemplified by the fact that most of KHI's MNC customers have maintained relationships with the company for over 20 years.

5-Year financial highlights

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

(In RM'000)	2026	2025	2024	2023	2022
Revenue	304,189	327,932	298,571	334,921	276,711
Results from operating activities	24,824	22,286	22,237	32,449	25,814
Finance income	1,078	1,333	1,545	474	240
Finance costs	(2,824)	(3,388)	(4,378)	(3,366)	(3,156)
Profit before tax	23,078	20,231	19,404	29,557	22,898
Tax expense	(4,394)	(4,500)	(3,421)	(4,681)	(3,629)
Profit for the year	18,684	15,731	15,983	24,876	19,269
Profit attributable to:					
Owners of the Company	*16,084*	*12,134*	*15,076*	*22,304*	*15,785*
Non-controlling interests	*2,600*	*3,597*	*907*	*2,572*	*3,484*
	18,684	15,731	15,983	24,876	19,269
Basic Earnings per share (sen)	*14.77*	*11.14*	*13.84*	*20.48*	*14.49*
Equity attributable to Owners of the Company	189,977	179,146	174,766	161,155	140,476
Total assets	285,003	291,091	285,602	263,559	247,124
Loans and borrowings *	35,570	42,220	52,458	45,889	47,396
Debt/Equity (%)	*19%*	*24%*	*30%*	*28%*	*34%*
Net assets per share (RM)	*1.74*	*1.65*	*1.60*	*1.48*	*1.29*
Dividend per ordinary share (sen)	*2.5*	*2.5*	*2.0*	*1.5*	*1.0*

** including lease liabilities*

MANAGEMENT DISCUSSION AND ANALYSIS

Share performance

Summary of KHIB's share performance for the financial year ended 30 April 2026 is as follows:

Month	High RM	Low RM	Close RM	Transaction Volume
May 2025	1.270	1.180	1.210	130,500
June 2025	1.270	1.160	1.200	133,500
July 2025	1.200	1.080	1.160	154,100
August 2025	1.160	1.000	1.090	190,400
September 2025	1.230	0.995	1.200	1,000,700
October 2025	1.450	1.160	1.400	1,231,000
November 2025	1.410	1.250	1.270	162,300
December 2025	1.300	1.180	1.280	181,500
January 2026	1.300	1.190	1.250	75,500
February 2026	1.290	1.160	1.270	56,200
March 2026	1.300	1.150	1.280	75,100
April 2026	1.260	1.050	1.180	305,200
Year High (RM)				**1.450**
Year Low (RM)				**0.995**
Year Close (RM)				**1.180**
Market Capitalisation as at 30 April 2026 (RM)				**128,501,995**

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF FINANCIAL RESULTS AND FINANCIAL CONDITION

Performance indicators

Summary of the Group's financial performance for the financial year ended 30 April 2026 is as follows:

(In RM'000)	2026	2025	Variance	%
Revenue	304,189	327,932	(23,743)	-7%
Profit before tax ("PBT")	23,078	20,231	2,847	14%
Profit attributable to:				
Owners of the Company	*16,084*	*12,134*	*3,950*	*33%*
Non-controlling interests	*2,600*	*3,597*	*(997)*	*-28%*
Profit for the year	18,684	15,731	2,953	19%
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	36,553	34,400	2,153	6%
GP margin (%)	*21%*	*19%*	*2%*	*11%*
PBT margin (%)	*8%*	*6%*	*2%*	*33%*
EBITDA margin (%)	*12%*	*10%*	*2%*	*20%*
Earnings per share (sen)	*14.77*	*11.14*	*3.63*	*33%*
Equity attributable to owners of the Company	189,977	179,146	10,831	6%
Total assets	285,003	291,091	(6,088)	-2%
Loans and borrowings *	35,570	42,220	(6,650)	-16%
Debt/Equity (%)	*19%*	*24%*	*-5%*	*-21%*
Net assets per share (RM)	*1.74*	*1.65*	*0.09*	*5%*

** including lease liabilities*

Revenue

The Group revenue decreased by RM23.7 million or -7% as discussed below:

- Revenue from the Vietnam operation decreased by 10% or RM17.9 million, declining from RM187.2 million last year to RM169.3 million this year. This decline was primarily driven by weaker customer demand for printer product components and unfavourable USD-to-RM foreign exchange translations.

- Revenue from the Malaysia operation also declined, decreasing by 4% or RM5.8 million from RM140.7 million last year to RM134.9 million this year. This decrease was primarily driven by lower sales of home appliance components.

Profit before tax and expenses

Despite lower overall revenue, the Group reported a higher PBT of RM23.1 million for the financial year, up from RM20.2 million last year. This represents an increase of 14% or RM2.9 million. A further breakdown and analysis of PBT performance is as follows:

- **Malaysia Operation:** PBT improved by 209% or RM4.8 million to RM7.1 million, compared with RM2.3 million last year. This significant growth was mainly driven by a higher contribution margin and effective fixed cost controls.

- **Vietnam Operation:** In line with the segment's decline in revenue, PBT decreased by 11% or RM1.9 million to RM16.0 million, down from RM17.9 million last year.

MANAGEMENT DISCUSSION AND ANALYSIS

Total assets

The Group's total assets decreased by RM6.1 million, declining from RM291.1 million as at 30 April 2025 to RM285.0 million as at 30 April 2026. This decline was primarily due to unfavourable USD-to-RM foreign exchange translations for foreign subsidiaries. During the financial year under review, the Group acquired property, plant and equipment and investment properties amounting to RM14.3 million and RM5.9 million, respectively. These capital expenditures will expand the Group's production capacity and enhance its engineering capabilities to drive future business growth, cost efficiencies, and long-term innovation. Additionally, the investment properties will be held to generate rental income and for capital appreciation.

Total cash and bank balances (including fixed deposits placed with licensed banks, which are classified as other investments) stood at RM79.5 million as at 30 April 2026. This represents a decrease of RM0.7 million compared to RM80.2 million as at 30 April 2025, driven mainly by the aforementioned acquisitions of property, plant and equipment and investment properties. The Group continues to practice prudent financial management by maintaining sufficient cash reserves and ensuring access to adequate committed credit facilities.

Loans and borrowings (including lease liabilities)

The Group's loans and borrowings (including lease liabilities) decreased by RM6.6 million, falling from RM42.2 million as at 30 April 2025 to RM35.6 million as at 30 April 2026. This reduction was mainly attributed to the repayment of term loans and hire purchase liabilities. As a result, the Group's gearing ratio improved from 0.24 times as at 30 April 2025 to 0.19 times as at 30 April 2026.

The Group remains prudent, aiming to maintain funding flexibility by keeping committed credit lines available. Additionally, the Group ensures that the amount of debt maturing in any given year does not exceed its capacity to repay and/or refinance.

Financial position

Equity attributable to owners of the Company ("Net Assets") increased by RM10.9 million, or 6%, rising from RM179.1 million as at 30 April 2025 to RM190.0 million as at 30 April 2026. This growth was primarily driven by a net profit of RM16.1 million attributable to owners of the Company, which offset unfavourable changes in the foreign currency translation reserve and dividends paid during the year under review. Accordingly, Net Assets per share increased from RM1.65 as at 30 April 2025 to RM1.74 as at 30 April 2026.

Known trends and events

The conflict in the Middle East has triggered sharp increases in energy prices, renewed inflationary pressures, and fueled expectations of tighter monetary policy. The ultimate impact of this shock on the global economy will depend on the time required for energy production and transit to normalise once hostilities cease. Furthermore, a reassessment of expectations surrounding artificial intelligence-driven productivity or the emergence of renewed trade tensions could significantly weaken global growth.

Against this macroeconomic backdrop, the Group will continue to focus on its core metal stamping business while actively pursuing cost efficiencies. These initiatives include internal reorganisation, the reconfiguration of production lines, and process optimisation designed to reduce fixed costs and enhance overall operational efficiency.

REVIEW OF OPERATING ACTIVITIES

Operating activities

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

(In RM'000)	2026	%	2025	%
Manufacturing				
- *Mechanical products*	141,274	47%	162,925	50%
- *Home appliances*	66,952	22%	72,879	22%
- *Automotive*	58,850	19%	62,584	19%
- *Safety products*	24,861	8%	17,066	5%
	291,937	**96%**	**315,454**	**96%**
Trading	5,802	2%	5,088	2%
Sales of scrap	6,450	2%	7,390	2%
Total Revenue	**304,189**	**100%**	**327,932**	**100%**

(In RM'000)	2026	%	2025	%
Malaysia operation	134,896	44%	140,762	43%
Vietnam operation	169,293	56%	187,170	57%
Total Revenue	**304,189**	**100%**	**327,932**	**100%**

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

Malaysia operation

During the financial year under review, KHI invested a total capital expenditure of approximately RM5.3 million mainly for enhancements in engineering capabilities and precision measurement technology. Component demand for safety products increased, whereas part sales for home appliances declined during the year under review. Overall, the net decrease in revenue was mainly due to lower tooling sales.

In response to economic uncertainty and fluctuating customer demand, KHI has implemented various fixed cost reduction measures while continually reviewing its manufacturing methods and inventory management systems. These efforts aim to achieve higher productivity and efficiency, thereby cushioning the financial impact of potential market downturns.

Additionally, KHI continues to train employees on proprietary, in-house engineering methodologies to meet the stringent quality standards of the Group's MNC customers. To maintain a diverse workforce with varied backgrounds, skills, and experiences, KHI has introduced robust staff retention programs. These include flexible remuneration packages, childcare and preschool facilities, sports and outdoor activities, and comprehensive welfare benefits. As a result, KHI successfully attracts new talent while retaining its existing pool of experienced professionals.

Vietnam operation

In Vietnam, the Group has established strategic manufacturing bases through KHMV and KHTV. These factories feature high engineering standards, providing Level 1 engineering services and robust quality assurance to various MNC customers. The Vietnam operations primarily manufacture parts for electrical and electronic products, specifically printers, refrigerators, and washing machines.

During the financial year, the Vietnam operation incurred a capital expenditure of approximately RM9.0 million. This investment was primarily directed at expanding production capacity to accommodate newly secured and anticipated customer orders over the next one to two years. To support this growth, KHTV's factory will continue to absorb the overflow from KHMV's increased orders and accommodate new contracts from KHMV's growing customer base. Additionally, the new warehouse at KHMV's VSIP branch factory which was completed in September 2025 will specifically support new items awarded by existing printer manufacturers.

MANAGEMENT DISCUSSION AND ANALYSIS

ANTICIPATED OR KNOWN RISKS

Competition risk

The Group operates in a highly competitive landscape, facing competition from both public and private Malaysian companies, as well as international players from Japan, China, South Korea, Taiwan, and Thailand. Nevertheless, the Group remains confident in its competitive edge, underpinned by its specialised engineering expertise, technical know-how, and a proven track record of meeting the stringent standards of its quality-conscious MNC customers.

To maintain this edge, the Group continuously strives to manufacture high-quality products, ensure punctual delivery, and provide exceptional engineering services. We actively boost productivity and efficiency by investing in advanced machinery and precision measurement equipment, optimising manufacturing processes, and implementing AI-driven inventory management systems. However, there can be no assurance that the Group will be able to maintain or expand its domestic and overseas market share should customers shift their demand to alternative suppliers.

Investment risk

The Group plans to invest in new machinery and the construction of new factories and warehouses that are deemed beneficial to its business or synergistic with its current manufacturing operations. While the Group exercises prudence in its decision-making, there remains an inherent risk that these investments may require a longer payback or gestation period than anticipated.

Furthermore, although the Group mitigates investment risks through careful evaluation, there can be no absolute assurance that all future investments will yield positive or immediate returns. In the event of unforeseen market shifts, particularly as customers adapt to Industry 4.0, digitalization, and artificial intelligence (AI), these investments could potentially have an adverse material effect on the Group's future financial performance.

Dependency on foreign workers risk

The Group's core businesses in Malaysia namely sheet metal forming, precision machining, component assembly, and the manufacture and sale of gas appliances are highly labour-intensive. Consequently, the Group's continued success depends significantly on the capabilities and sustained efforts of its production workforce, which comprises both local and foreign workers.

Current labour supply constraints in Malaysia, exacerbated by difficulties in recruiting foreign workers, may adversely affect the Group's performance and its ability to compete effectively in the industry. While the Group actively seeks to mitigate this risk by implementing advanced manufacturing systems, adopting semi-automated operations, outsourcing, and prioritising the training and retention of skilled labour through comprehensive employee benefits, there can be no assurance that labour shortages or other human resources-related challenges will not materially impact the Group's business and performance.

FORWARD-LOOKING STATEMENT

Trend and outlook

Characterised by high fragmentation and intense competition, the precision metal forming industry consists of numerous established enterprises serving diverse end-markets, including the automotive, electrical and electronics, and home appliance sectors. Competitive advantage is primarily dictated by pricing structures, production capacity, technical expertise, and delivery reliability. Furthermore, the overall competitive landscape is intrinsically linked to the performance of these downstream sectors.

The global economy continues to weather the geopolitical shocks in the Middle East without immediate signs of a slowdown. Nevertheless, downside risks remain elevated; any intensification of the conflict or subsequent supply disruptions could severely impact global economic stability.

Malaysia's economy appears to have entered 2026 with sufficient momentum to withstand the initial shocks from the conflict in the Middle East and the resulting energy concerns. First-quarter GDP grew by 5.4%, slightly outpacing the official advance estimate of 5.3%. This performance was supported by resilient household spending, steady investment activity, and continued strength in electrical and electronics (E&E) exports. However, underlying data suggests that growth momentum moderated toward the end of the quarter, indicating the economy may face tighter headwinds moving forward than policymakers initially anticipated.

To navigate ongoing global economic challenges, the Group is actively aligning its cost-reduction strategies with current revenue trends. Management is optimising our manufacturing processes and inventory management system to boost productivity and efficiency, shorten cycle times, and drive significant savings in overall production costs.

MANAGEMENT DISCUSSION AND ANALYSIS

Basis of preparation

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

Dividend Policy

The Board of Directors has proposed a first and final single-tier dividend of 2.5 sen per ordinary share amounting to RM2,722,500 in respect of the financial year ended 30 April 2026 (2025: 2.5 sen per ordinary share totaling RM2,722,500) for the shareholders' approval at the forthcoming 23rd Annual General Meeting. The dividend payout ratio is approximately 17% based on the profit attributable to owners of the Company of approximately RM16.1 million for the financial year ended 30 April 2026.

Given the significant uncertainties in the broader business outlook and downside risks from global economic and geopolitical conflicts, the Company has elected not to adopt a dividend policy at this time. This decision allows us to conserve financial resources, focus on core business operations, and remain agile for potential expansion opportunities.

SUSTAINABILITY STATEMENT

Our sustainability policy is rooted in enduring core values that define our role as a responsible corporate citizen. We view sustainability as a commitment to creating shared value, recognising the dual materiality between our operations and the Environment, Social and Governance ("ESG") landscape.

GROUP MANAGING DIRECTOR'S STATEMENT

At Kein Hing International Berhad ("KHIB" or the "Company") and its group of companies (the "Group"), our sustainability policy is rooted in enduring core values that define our role as a responsible corporate citizen. We view sustainability as a commitment to creating shared value, recognising the dual materiality between our operations and the Environment, Social and Governance ("ESG") landscape. This perspective allows us to transform global disruptions into strategic opportunities, ensuring the Group's long-term resilience. Our reporting journey reflects this commitment to transparency. We are currently transitioning our disclosures to align with the Sustainability Reporting Requirements in accordance with the Amendments to Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("Main LR") dated 23 December 2024. During this transition period, the Group continues to adhere to the Enhanced Sustainability Statement pursuant to the amended sustainability reporting framework dated 26 September 2022 ("2022 SRF") with modifications as prescribed in Practice Note 9A of the Main LR, ensuring our disclosures remain robust, relevant and fully compliant.

This Sustainability Statement provides an overview of the Group's sustainability performance for the financial year ended 30 April 2026.

SCOPE AND BOUNDARY OF THE SUSTAINABILITY STATEMENT

This Sustainability Statement covers the financial year ended 30 April 2026 ("FYE 30 April 2026"). Currently, the reporting boundary is centred on Malaysian Operation of the Group, specifically Kein Hing Industry Sdn. Bhd. ("KHI"), a wholly-owned subsidiary of the Company. As the Group matures in its sustainability journey and strengthen its data collection frameworks, the Group is committed to widening its reporting boundary to include Vietnam Operation starting in financial year ending 30 April 2027.

While Vietnam Operation under Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV"), an 80%-owned subsidiary of the Company, are excluded from this year's scope, it is important to note that KHMV continues to uphold rigorous ESG standards. During the year under review, KHMV maintained its status as a registered supplier within the global supply chains of its MNC customers, successfully passing customer audits and reviews. Furthermore, KHMV remains certified under ISO 9001 (Quality Management System) and ISO 14001 (Environmental Management System), reflecting its commitment to international best practices.

SUSTAINABILITY STATEMENT

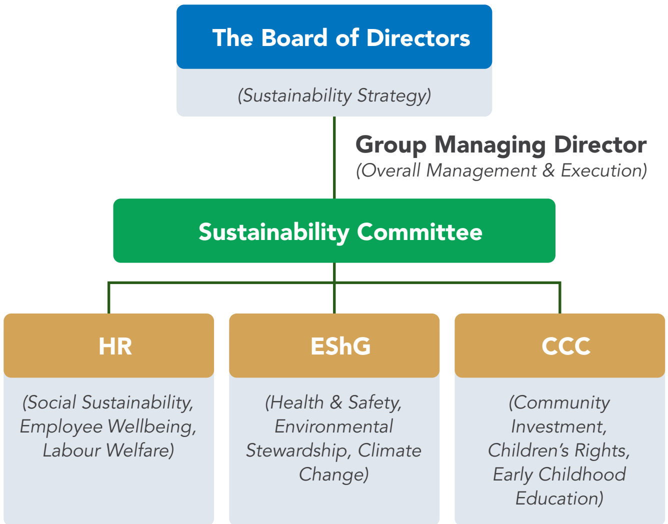
GOVERNANCE STRUCTURE AND MANAGEMENT

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

- Common sustainability matters in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad
- Social sustainability, employee wellbeing and welfare of workers including foreign workers
- Health and safety and environment particularly on climate change
- Child Care Centre

The position or department and their responsibilities towards sustainability are summarised in the following table:

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



While the Board has delegated the oversight of sustainability strategies, priorities, and targets to the Sustainability Committee, the Board retains ultimate responsibility for the Group's sustainability performance.

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

HEALTH AND SAFETY
including the security of assets and employees, whilst recognising that health and safety remain the responsibility of the Board in accordance with the health and safety law.

ENVIRONMENT
including emission to air, water and land; energy management; climate change; waste and resource productivity; and compliance with environmental regulations.

SOCIAL POLICIES
including equality of treatment, human rights and welfare of foreign workers.

CHILD CARE CENTRE
role of KHI in community/society, including early years education and children's rights through a CCC operated by KHI.

SUSTAINABILITY STATEMENT

MANAGEMENT'S APPROACH TO SUSTAINABILITY

The Group's approach to sustainability is deeply embedded in our corporate identity, evolving from a foundation of corporate social responsibility into a comprehensive ESG strategy. The Group's commitment is driven by three primary objectives:

- **Ethical leadership:** To maintain our trajectory as a high-performing organisation grounded in ethical business practices and robust corporate governance.
- **Stakeholder empowerment:** To influence and enable our stakeholders including employees, partners and the supply chain to contribute meaningfully to a sustainable future.
- **Community and environmental stewardship:** To generate positive impact in the communities where we operate, particularly surrounding KHI, through environmental guardianship, social harmony, and economic upliftment.

Central to the Group's governance is a comprehensive Code of Conduct and Ethics and a rigorous Anti-Corruption Policy (collectively, the "Code and Policy"). These frameworks establish the mandatory standards of conduct for all Directors, officers, managers and employees. The Code and Policy integrate critical sustainability drivers, including:

- Anti-bribery and corruption protocols;
- Management of conflicts of interest and confidentiality;
- Safeguarding of corporate assets; and
- Individual accountability toward environmental management, health and safety and long-term business sustainability.

KHI consistently strives to exceed industry benchmarks for manufacturing excellence. KHI's commitment to global standards and operational excellence is validated by its ongoing adherence to and maintenance of the following international certifications:

- ISO 9001: Quality Management System
- ISO 14001: Environmental Management System

SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

The Group actively engages with a diverse range of stakeholders which include customers, employees, investors and shareholders, suppliers, Government and regulators, and local communities in Malaysia to understand their expectations and integrate their concerns into the Group's sustainability strategy. The following table outlines the Group's engagement approach and the resulting value created:

Stakeholders	Sustainability Concerns	Engagement Channels	Outcomes and Value Created
Customers	• Product quality & innovation • Competitive pricing • Delivery reliability • Engineering responsiveness	• Customer satisfaction surveys • Customer regular audits and feedback loops • Advanced Product Quality Planning ("APQP") • Periodic business review	• Rigorous Quality Management System • Optimised Die Maintenance System • Enhanced Inventory Management System • Robust Environmental Management System
Employees	• Occupational health and safety • Career progression • Fair working conditions • Welfare and competitive benefits	• Health & wellness programs • Structured training & development • 5S workplace cleanliness standards • Employee engagement & social events	• Safe workplace policy • Health risk assessments • Training, performance appraisal & talent retention • Strengthened social harmony
Investors/ Shareholders	• Sustainable returns on investment • Long-term business resilience • Strategic growth & expansion • Corporate transparency	• Annual General Meeting ("AGM") • Annual & interim financial reports • Investor relations via corporate website	• Consistent dividend distribution • Clear Management Discussion and Analysis ("MD&A") • Strategic roadmap for Vietnam expansion
Suppliers	• Strategic partnerships • Operational cost efficiency • Ethical business practices • Supply chain reliability	• Supplier selection & due diligence • Key supplier audits & performance surveys • Collaborative engineering improvements	• Supply chain resilience & reliable delivery • Mutual adherence to ethical & compliance standards • Strategic collaboration opportunities • Meeting customers' requirements
Government and Regulators	• Adherence to legislative frameworks • Corporate governance compliance • Environmental & labour regulations	• Active compliance monitoring & reporting • Participation in Government-led initiatives	• Maintenance of critical operating licences • High level of transparency & regulatory trust • Certification to international standards
Local Communities	• Environmental protection • Community well-being & social upliftment • Economic contributions	• Educational sponsorships & scholarships • Community outreach via the Child Care Centre ("CCC") • Corporate recycling programs	• Access to early childhood education • Adoption of the "Garden Factory" concept • Job creation and internship opportunities for graduates

SUSTAINABILITY STATEMENT

METHODOLOGY USED TO DERIVE AND PRIORITISE MATERIAL SUSTAINABILITY MATTERS

To determine the sustainability matters most significant to our business and stakeholders, the Group follows a structured assessment process aligned with the 2022 SRF with modifications as set out in the Practice Note 9A of the Main LR. The Group's Three-Step approach is as follows:

1. **Identification:** KHI identified Health and Safety, Labour Practices and Standards, and Community and Society as its primary material sustainability matters in previous reporting cycles. A review by Management confirms that these topics remain highly relevant to our current operational context.

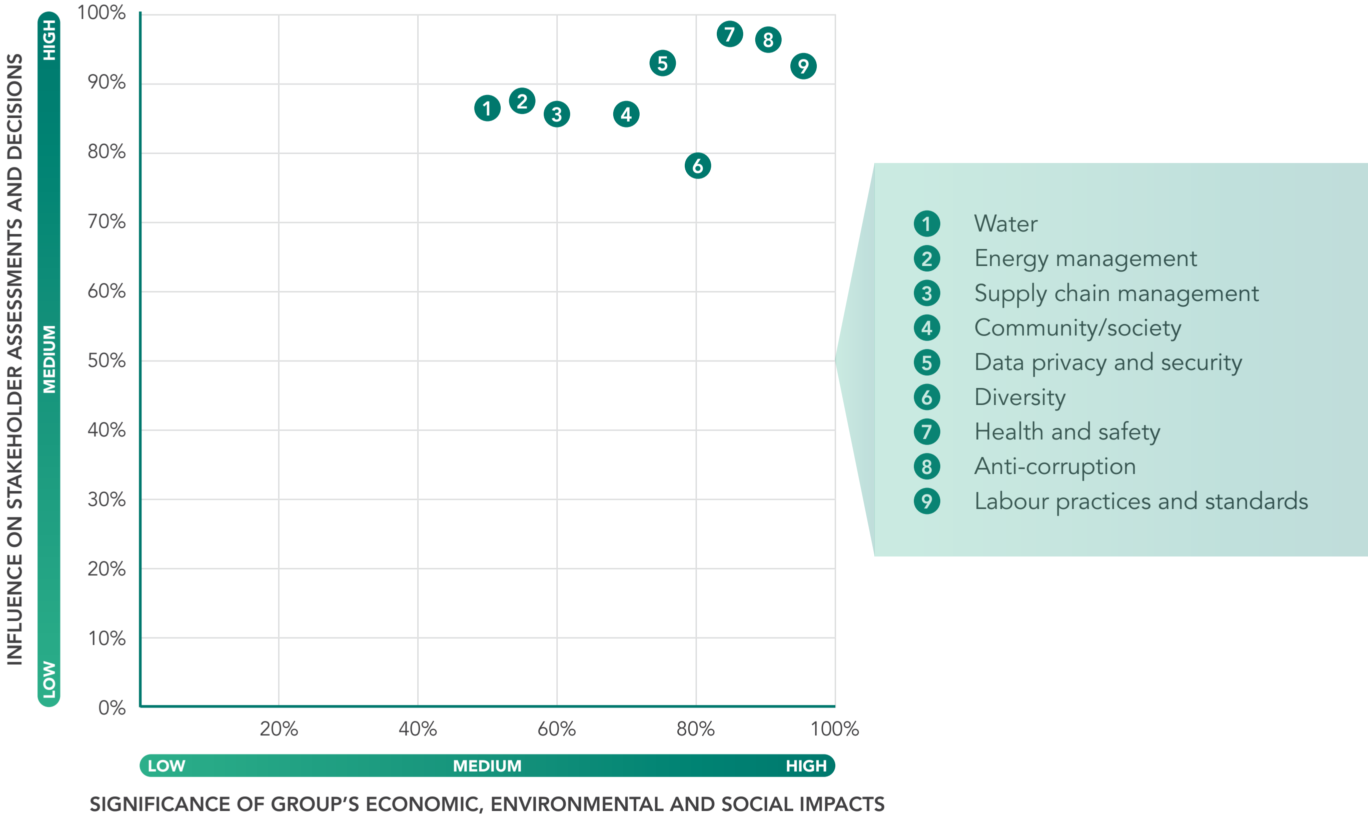
2. **Stakeholder Engagement:** To validate these priorities, KHI conducted a Materiality Survey targeting key stakeholder groups. Respondents provided feedback on how various sustainability matters influence their assessments and decision-making regarding KHI's performance.

3. **Prioritisation & Review:** Using the data gathered, KHI performed a comprehensive materiality assessment to rank each matter based on its impact on the business and its importance to stakeholders. The results were reviewed and validated by the Sustainability Committee to ensure alignment with our strategic goals.

THE MATERIALITY MATRIX

The following matrix illustrates the positioning of the Group's material sustainability matters, reflecting the intersection of stakeholder expectations and the Group's significant economic, environmental and social impacts.

MATERIALITY MATRIX FYE 30 APRIL 2026



MANAGEMENT APPROACH FOR MATERIAL SUSTAINABILITY MATTERS

Economic Performance

The Group's financial performance and strategic growth are fundamental to our sustainability journey, as they deliver a direct, positive impact to all stakeholders. We operate on the principle that a business should create value not only for profitability but for the mutual benefit of our entire ecosystem. Consequently, in our pursuit of revenue growth, we remain committed to contributing to our stakeholders through local business support, tax contributions and the provision of stable employment opportunities. A comprehensive analysis of the Group's financial performance for the FYE 30 April 2026 is available in the "*Management Discussion and Analysis*" section of this Annual Report.

The Marketing and New Product Planning Department of KHI works in close synergy with our in-house engineering team to optimise production operations and manufacturing systems. Key focus areas include enhancing engineering capabilities, process refinement, cycle-time reduction and the advancement of precision measurement and quality assurance technologies. To support these initiatives, KHI invested approximately RM5.3 million in capital expenditure during the financial year under review, primarily for the acquisition of advanced machinery and high-precision measuring equipment.

KHI has implemented robust manufacturing and inventory management systems to streamline operations, including the following:

- **Inventory Management System:** These regulate production based on market supply and demand, effectively reducing labour inefficiencies and inventory waste.
- **Die Maintenance System:** Utilised for continual improvement in engineering precision and process cycle times.
- **Standardised Operation Methodologies:** These ensure the highest quality of delivered parts and optimise throughput within target process times.

These systems have significantly enhanced KHI's productivity and efficiency, mitigating quality issues while providing cost savings to both the company and customers.

KHI continues to pursue long-term profitability and growth, maintaining its status as a preferred supplier by offering premium quality parts, innovative tooling fabrication solutions, and expert engineering services. Beyond investing in domestic capacity and quality assurance, KHI has successfully expanded its core metal stamping and precision machining business through the Group's Vietnam Operation. This strategic expansion aligns with the Group's vision for sustainable growth, ensuring that shareholders receive consistent economic returns through dividends and long-term capital appreciation.

Customer Satisfaction

At KHI, we remain dedicated to driving long-term profitability and growth by maintaining our position as a preferred supplier. We achieve this by delivering superior engineering services and high-precision components that meet the exacting standards of our diverse clientele. As KHI is principally engaged in the manufacturing and supply of metal parts for integration into the Group's customers' end-products, its operations undergo rigorous audits. These ensure that every component consistently fulfils the stringent quality requirements specified by the Group's customers, particularly Multi-National Corporations ("MNCs").

As part of KHI's commitment to best practices, we engage with key customers through annual satisfaction surveys. These assessments allow us to evaluate our performance across few critical pillars, among others, Quality, Cost, Delivery, Technology and Response. For the financial year under review, the feedback and ratings provided by these key customers were analysed by our Marketing Management team and reviewed by the Group Managing Director to identify opportunities for continual improvement. The results of the Customer Satisfaction Survey demonstrate our consistent performance:

Customer Satisfaction Index (points)		
Target	**2026**	**2025**
Customer Service Level 1: 8.00 – 10.00 points	8.99	8.98

Note: Based on a maximum index of 10.00 points.

Our Customer Satisfaction Index remained well above the target threshold for the year. This achievement underscores KHI's ability to sustain excellent engineering standards and meet stringent quality benchmarks, even amidst intensifying competition within the supporting industry. This steady year-on-year improvement reflects our unwavering focus on customer-centricity and operational reliability.

SUSTAINABILITY STATEMENT

Anti-Corruption

The Group is steadfast in its commitment to conducting business with transparency, honesty, and unwavering integrity. We maintain a zero-tolerance approach toward all forms of bribery and corruption. To uphold this standard, the Group has implemented robust measures to ensure that our businesses and personnel do not engage in corrupt activities, including the offering, promising or providing of any gratification, to obtain or retain business advantages.

The Group reinforces its integrity framework through the following strategic pillars:

- **Continuous Communication:** Guidelines and principles of the Anti-Corruption Policy are regularly communicated to employees and external partners (including contractors and agents). This is reinforced through managerial briefings, the official Anti-Bribery and Corruption Statement issued by the Managing Director, and the Company's corporate website.
- **Whistleblowing Channels:** We actively encourage the use of our reporting channels to disclose any suspected or actual corruption incidents. Awareness of these channels is promoted through internal training, and the Company's corporate website.
- **Dedicated Oversight:** Since March 2020, a competent Anti-Corruption Task Force has been mandated to oversee all compliance matters. This task force provides essential training, advice and guidance to both internal personnel and business associates.
- **Transparent Authority:** We ensure that lines of authority for those overseeing anti-corruption compliance are transparent, appropriate, and clearly defined.
- **Reporting and Accountability:** The results of all audits, risk assessment reviews and control measures are reported directly to the Management, the Audit and Risk Management Committee ("ARMC") and the Board of Directors for immediate action.

On 29 September 2025, the ARMC reviewed the Annual Anti-Corruption Risk Reports, the Key Corruption-related Risk Profile and the Risk Scorecard Summary. The ARMC expressed satisfaction that risk controls and action plans have been effectively implemented on an ongoing basis, maintaining the Group's corruption-related risks at a "Low" scale.

KHI's management and department leaders conducted corruption-related risk assessments covering 100% of operations as its target during the financial year under review.

Corruption Risk Assessment	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Percentage of operation assessed for corruption-related risks	100%	100%	100%

During the financial year, KHI conducted a specialised training program titled "*The Integrity Code: Cracking the Ethics Challenge*" for management and executive staff. Subsequently, these managers and leaders cascaded the training to their respective subordinates to ensure a culture of integrity permeates every level of the organisation.

Corruption-related Training	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Percentage of employees who have received training on anti-corruption by employee category			
- Management	100%	100%	100%
- Executive	100%	100%	83%
- Non-executive/ Technical Staff	100%	74%	24%

As of 30 April 2026, there was zero incident of corruption across KHI's business operations, thus achieving the target set.

Corruption Incidents	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Number of confirmed incidents of corruption and action taken	0	0	0

Diversity

The Group recognises and embraces the strategic benefits of a gender-diverse workforce. We view the promotion of diversity at all levels of KHI as an essential element in maintaining our competitive advantage and advancing gender equality. A truly inclusive organisation leverages the diverse skills, regional perspectives, industry experience, age groups and cultural backgrounds that our women Directors and employees contribute to our collective success. While KHI remains committed to a selection process based on an effective blend of competencies, skills, and experience, we actively strive to enhance our gender balance. To this end, the Group has set a specific target of at least 30% women participation or representation among our Board of Directors and general workforce.

The Human Resource Department of KHI is mandated to ensure that these diversity objectives are integrated into our core people processes, including:

- Recruitment and talent acquisition
- Performance evaluation
- Succession planning

SUSTAINABILITY STATEMENT

To attract and retain female talent, KHI is dedicated to providing a professional environment characterised by safety, mutual respect and the absence of harassment or discrimination. Our commitment to supporting working mothers is best exemplified by the KHI Pre-School and Child Care Centre. Established in 1998, these facilities serve as a long-standing testament to our dedication to providing a supportive ecosystem for our employees, allowing them to balance their professional aspirations with family responsibilities.

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

Common Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Percentage of employees by gender and age group, for each employee category			
Gender group by employee category			
Management – Male	44%	43%	41%
Management – Female	56%	57%	59%
Executive – Male	34%	35%	44%
Executive – Female	66%	65%	56%
Non-executive/Technical staff – Male	72%	70%	65%
Non-executive/Technical staff – Female	28%	30%	35%
General workers – Male	74%	73%	72%
General workers – Female	26%	27%	28%
Age group by employee category			
Management – Under 30	0%	4%	3%
Management – Between 30 - 50	44%	43%	45%
Management – Above 50	56%	53%	52%
Executive – Under 30	21%	23%	30%
Executive – Between 30 - 50	51%	52%	43%
Executive – Above 50	28%	25%	27%
Non-executive/Technical staff – Under 30	15%	15%	27%
Non-executive/Technical staff – Between 30 - 50	55%	57%	50%
Non-executive/Technical staff – Above 50	30%	28%	23%
General workers – Under 30	31%	36%	40%
General workers – Between 30 - 50	51%	47%	47%
General workers – Above 50	18%	17%	13%
Percentage of Directors of KHIB or the Company by gender and age group			
Male	67%	67%	60%
Female	33%	33%	40%
Under 30	0%	0%	0%
Between 30 - 50	0%	0%	0%
Above 50	100%	100%	100%

SUSTAINABILITY STATEMENT

Community/Society

The Group is deeply committed to the wellbeing of the communities in which we operate. Our social sustainability strategy focuses on three core pillars: environmental protection, social harmony and economic upliftment. We actively support organisations involved in welfare, sports, healthcare and education to drive meaningful, long-term social impact.

A cornerstone of KHI's social commitment is the *Tadika Keluarga Harmoni* & *Indah* ("KHI Pre-School") and our proprietary Child Care Centre ("CCC"). Since 1998, these facilities have provided high-quality early childhood education and safe care standards for the children of our employees and the community residing in Seri Kembangan, Selangor, Malaysia.

- **Curriculum & Standards:** We employ the Montessori Method for our nursery and the *Kurikulum Standard Pra-Sekolah Kebangsaan* for pre-schoolers.
- **Workforce Impact:** KHI recognises that accessible childcare is a key driver of employee productivity and loyalty.
- **Investment:** We have pledged an annual community investment target of RM120,000 to sustain these educational initiatives.

Currently, KHI Pre-School has six (6) qualified teachers and eight (8) support staff. The average number of children under its early childhood education is 44 (2025: 40). In 2010, KHI's child-focused CSR framework was recognised by the Companies Commission of Malaysia ("SSM") and UNICEF. KHI was featured as a role model under the "Establishment of Child Care Centre at the Workplace" initiative, serving as a benchmark for other organisations seeking to integrate children's rights into business practices.

Community Investment Performance Data	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Total amount invested in the community where the target beneficiaries are external to KHI	RM299,191	RM233,674	RM132,000
Total number of beneficiaries of the investment in communities	144	73	232

KHI organised a CSR Tree Planting Program in collaboration with the Forest Research Institute Malaysia (FRIM) in September 2025. Employees actively participated in the initiative, planting

a total of 40 trees to support environmental conservation and enhance local biodiversity. This activity reflects KHI's commitment to environmental stewardship and its efforts to contribute to a greener and more sustainable future for the community.

KHI also sponsored RM10,185 worth of home appliances and gas cookers for the community in Seri Kembangan, Selangor, Malaysia, in conjunction with the Mooncake Festival in September 2025.

In October 2025, KHI partnered with Persatuan Yap Selangor & Wilayah Persekutuan to organise a Blood Donation Program. To encourage participation and recognise the generosity of donors, portable gas cookers and tower fans under Zenne brand were distributed to attendees who contributed to the blood donation drive. This initiative demonstrates KHI's commitment to community well-being, promoting public health, and fostering meaningful engagement with local communities.

As we evolve, KHI remains steadfast in its commitment to investing in our communities. We will continue to collaborate with local partners to drive sustainable social impact and foster a resilient society.

SUSTAINABILITY STATEMENT

Health and Safety

KHI is dedicated to mitigating risks to human health and safety within the workplace. We proactively address concerns such as occupational injuries, the handling of hazardous chemicals and ergonomic issues inherent to manufacturing. We firmly believe that prioritising a robust health and safety framework is a prerequisite for operational excellence, driving both efficiency and effectiveness across our factories.

To uphold these standards, KHI maintains a comprehensive Safety, Health and Environment ("SHE") Policy. Our safety culture is governed by dedicated Safety and Health Committees present at every KHI-operated facility.

- **Communication:** Quarterly committee meetings are held to ensure safety protocols are effectively communicated and discussed at all organisational levels.
- **Specialised Training:** We conduct advanced safety awareness campaigns, including first aid and emergency response training.
- **Proactive Reporting:** KHI continuously refines its incident reporting mechanisms to identify potential hazards early, allowing for swift preventive measures and systemic improvements.
- **Continuous Awareness:** Regular safety bulletins and safety awareness letter are issued to employees to reinforce a vigilant and safety-conscious mindset on the factory floor.

During the financial year, KHI championed several initiatives designed to promote healthy lifestyles and preventative care:

(i) Occupational Health & Training

- Audiometric Testing: Provided for employees involved in production operations to monitor and protect hearing health.
- Continuous Education: Regular health and safety training sessions were conducted, with curricula reviewed periodically to ensure alignment with the latest industry standards.

(ii) Medical Benefits & Screening

- Health Screenings: Comprehensive health screenings and full-body check-ups were offered to eligible personnel.
- Medical Support: KHI provides medical fee assistance for employees requiring follow-up treatments identified during their screenings.

(iii) Physical Wellness & Engagement

- Active Lifestyles: We promoted physical fitness by organising weekly jogging sessions for employees after work hours.

KHI has established rigorous performance indicators to monitor the efficacy of our SHE framework. Our core objectives include maintaining zero work-related fatalities, achieving a Lost Time Incident Rate ("LTIR") of 1.00 or below, and ensuring that at least 100 employees undergo comprehensive health & safety training annually. KHI's actual performance on health and safety are summarised as follows:

Performance Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Total number of work-related fatalities	0	0	0
Lost time incident rate ("LTIR")	0.44	0.14	0.60
Total number of employees trained on health and safety standards	160	209	132

SUSTAINABILITY STATEMENT

KHI remains steadfast in its mission to mitigate occupational injuries and provide a secure environment for all employees, contractors, and visitors.

- **Incident Management:** For the financial year under review, KHI recorded an LTIR of 0.44, which remained below our target of 1.00. While the LTIR increased compared to the previous financial year, we maintained a relatively low incident rate and recorded zero work-related fatalities. KHI continues to strengthen its occupational safety and health management practices through regular risk assessments, workplace inspections, hazard identification activities, and employee awareness programmes. These ongoing efforts are aimed at preventing incidents and fostering a safer working environment for all employees.
- **Workforce Competency:** KHI continued to invest in the development of employee safety and health competencies during the financial year under review. A total of 160 employees participated in health and safety certification and training programmes, exceeding our target of 100 employees. While the participation was lower than the previous year, we maintained our commitment to equipping employees with the necessary knowledge and skills to identify workplace hazards, work safety, and contribute to a strong safety culture. KHI will continue to enhance training planning and participation to further strengthen workforce competency across our operations.

Energy Management

At KHI, energy consumption is primarily driven by electricity usage within our production and manufacturing operations. We recognise our corporate responsibility to minimise our environmental footprint while proactively embracing opportunities within the transition toward a sustainable economy. Consequently, KHI is committed to reducing its carbon and energy intensity through strategic efficiency initiatives.

KHI promotes energy conservation through the optimised use of electricity. By leveraging a proprietary, in-house productivity system, we maintain high production uptime and minimise process cycle times. This system effectively mitigates idle time and reduces overtime, while allowing for more precise control of compressed air systems, ultimately resulting in significant energy savings. During the financial year, KHI implemented several initiatives to enhance energy performance, including upgrading old air compressors to new inverter models, transitioning to energy-efficient LED lighting and installing solar-powered (photovoltaic) outdoor lighting. Furthermore, KHI is currently conducting feasibility assessments for the integration of renewable energy, specifically rooftop solar photovoltaic panels, across our manufacturing facilities.

KHI established an annual energy consumption target of 3,600 Megawatt-hour since FYE 30 April 2024. The actual performance is summarised as follows:

Performance Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Total energy consumption (Megawatt-hour)	3,949	4,015	3,580

While the total energy consumption for the current financial year saw a slight decrease from the previous year, it exceeded KHI's internal target by approximately 10%. This variance was primarily driven by a shift in the sales mix toward products requiring higher energy intensity. Moving forward, KHI will recalibrate its energy targets to more accurately reflect its evolving production requirements. We remain fully committed to optimising our energy management strategies to align with our broader sustainability objectives.

Supply Chain Management

KHI manages a diverse network of suppliers providing essential inputs and services. To meet the stringent quality standards and technical specifications required by our predominantly MNC customers, we ensure that our upstream supply chain operates with equivalent rigor. Our Purchasing Department conducts comprehensive reviews of key suppliers, evaluating them on criteria such as product and service quality, operational scale, engineering capabilities and technological advancement.

Through years of strategic partnership, KHI has cultivated a robust base of reliable and qualified suppliers. We maintain a zero-tolerance approach toward persistent quality failures; suppliers who fail to meet the exacting standards of our end-customers or contribute to defects during any production stage are systematically removed from our registered supplier list. This ensures the integrity of our finished goods and maintains our reputation for excellence.

As part of our commitment to domestic economic development, KHI prioritises local businesses within its supply chain. We established a target to direct at least 75% of our total procurement spend to local suppliers. We are proud to have successfully achieved this benchmark for three (3) consecutive years. KHI's actual performance regarding this sustainability matter is summarised below:

Performance Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Proportion of spending on local suppliers	91%	89%	90%

Data Privacy and Security

KHI recognises that robust Information Technology ("IT") security is fundamental to safeguarding our digital infrastructure and software against unauthorised access and cyber threats, including malware, ransomware, and phishing. In an era defined by remote work, e-commerce and industrial automation, maintaining a secure IT environment is essential to protect the sensitive data of our customers, suppliers and employees.

During the financial year, KHI reviewed and enhanced its IT Security Policy, with a specific focus on data privacy and information security standards. To ensure organisational alignment, this policy has been formally communicated to all employees and IT users. As a condition of system access, all users are required to sign an End-User Acknowledgement and Acceptance, affirming their commitment to the following responsibilities:

- **Individual Accountability:** Employees are personally responsible for the protection and integrity of the data handled within their respective roles.
- **Asset Recognition:** Recognising that data is a vital intangible asset; employees are encouraged to seek guidance from Management when handling sensitive or unfamiliar information.
- **System Integrity:** Ensuring accountability for all actions performed within the Group's information systems.
- **Responsible Usage:** Utilising IT facilities including hardware, email and internet access is strictly for professional and responsible purposes to mitigate operational risks.
- **Risk Mitigation:** Acknowledging that actions leading to unauthorised data disclosure, legal liability or system failure are subject to strict disciplinary measures, up to and may include termination and legal action.

KHI is committed to maintaining the highest standards of data integrity. For the financial year ended 30 April 2026, we maintained our target of zero substantiated complaints regarding breaches of customer privacy or losses of customer data.

Performance Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0

Labour Practices and Standards

KHI is committed to upholding the human rights of all employees, including our foreign workforce, ensuring they are treated with dignity and respect. We strictly adhere to Malaysian labour laws and regulations to ensure a fair and safe working environment. A key focus of our social responsibility is the welfare of both local and foreign workers. These help to reduce employee turnover and increase employee engagement, thus translating into higher productivity, greater efficiency, and loyalty.

In September 2024, the Internal Auditors of KHIB conducted a comprehensive review of KHI's foreign worker welfare and regulatory compliance. This audit evaluated our adherence to the Immigration Act 1959/63, the Employment Act 1955, the Minimum Wages Order, the Foreign Worker Management System (FWMS), and the Occupational Safety and Health Act 1994. Further to the above audit, in June 2025, the Internal Auditors conducted a subsequent review of KHI's occupational health and safety practices. We are pleased to report that no major findings were identified across either of these two internal audits. Furthermore, KHI successfully passed few customer audits, reaffirming its commitment to maintaining a safe and compliant workplace.

We believe that our people are our greatest asset. KHI invests in continuous learning to enhance the skills, knowledge and potential of our workforce, which in turn drives productivity, efficiency and employee loyalty. Our training framework includes:

- **Orientation Programs:** Equipping new hires with an essential understanding of KHI's corporate culture and operational systems.
- **On-the-Job Training:** Tailored practical training based on specific job functions, individual talents and employee interests.
- **In-House Technical Training:** Specialised sessions covering internal systems such as quality assurance, die maintenance, inventory management and production modelling.
- **External Professional Development:** Access to specialised departmental training, soft skills and management leadership programs.

SUSTAINABILITY STATEMENT

For the FYE 30 April 2026, KHI is proud to report zero substantiated complaints regarding human rights violations. Alongside this achievement, we maintained several key workforce targets: achieving an average of four (4) training hours per employee, capping contractor and temporary staff at 5% of the total workforce, and keeping annual employee turnover below 80 individuals. KHI's actual performance against these metrics for the current financial year is summarised below:

Performance Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Total hours of training by employee category			
- Management	869	1,003	642
- Executive	2,223	2,444	1,827
- Non-executive/Technical Staff	661	575	384
- General workers	1,449	1,152	1,567
Percentage of employees that are contractors or temporary staff	6%	6%	6%
Total number of employee turnover by employee category			
- Management	1	1	1
- Executive	7	18	16
- Non-executive/Technical Staff	3	7	9
- General workers	36	31	44
Number of substantiated complaints concerning human rights violations	0	0	0

Water Management

KHI is committed to the responsible stewardship of water resources across our manufacturing facilities, warehouses and staff accommodations. We recognise that effective water management is vital for operational resilience and environmental sustainability, particularly as climate change continues to impact global water security.

KHI proactively identifies opportunities to optimise water sourcing, usage and recycling within our operations. To cultivate a culture of conservation, we have implemented the following measures:

- **Awareness Programs:** Strategic placement of educational signage and posters across the Group's premises to foster water-saving habits among employees.
- **Preventive Maintenance:** Regular inspections and maintenance of plumbing and industrial water systems to minimise leaks and eliminate avoidable wastage.
- **Continuous Review:** Periodical assessments of our production processes to identify areas where water can be reused or more efficiently utilised.

KHI established an annual water consumption target of 21 Megalitres since FYE 30 April 2024. The actual performance is summarised as follows:

Performance Indicators	FYE 30 April 2026	FYE 30 April 2025	FYE 30 April 2024
Total volume of water used (Megalitres)	35	32	20

During the current financial year, the total water consumption exceeded KHI's internal target by approximately 67%. This variance was primarily driven by a significant shift in the sales mix, as the manufacturing of certain parts and components required higher water intensity. Moving forward, KHI will recalibrate its baseline water consumption targets to more accurately reflect these evolving production demands. Despite this adjustment, we remain firmly committed to exploring water-efficient technologies and refining our operational workflows to optimise water usage and align with our long-term sustainability objectives.

SUSTAINABILITY STATEMENT

ASSURANCE STATEMENT

The non-financial data disclosed in this Sustainability Statement for the financial year ended 30 April 2026 has not been subjected to external assurance. To further enhance the credibility and transparency of our reporting, KHI is currently evaluating the feasibility of engaging internal or external auditors to perform independent assurance or internal reviews for selected sustainability indicators in future reporting cycles.

CLIMATE-RELATED DISCLOSURES

As a Main Market listed issuer categorised under Group 2 of the National Sustainability Reporting Framework (NSRF), KHIB is currently in the preparatory phase for adopting the IFRS S1 and S2 climate-related disclosure standards. We will commence with transitional disclosures for the FYE 30 April 2027, with a target of full adoption and compliance by FYE 30 April 2029.

CONCLUSION

We remain steadfast in embedding ESG principles into the very core of our corporate strategy. Because sustainable growth requires collective action, we actively engage our employees and stakeholders to help building a more equitable, resilient, and caring community. Ultimately, by harmonising operational excellence with responsible environmental and social stewardship, we aim to drive enduring, long-term value for everyone connected to our business.

SUSTAINABILITY PERFORMANCE DATA

3-YEAR PERFORMANCE DATA TABLE

Performance Indicators	Measurement Units	FYE 30 April 2024	FYE 30 April 2025	FYE 30 April 2026
1. Anti-corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	100.00	100.00	100.00
Executive	Percentage	83.00	100.00	100.00
Non-executive/Technical staff	Percentage	24.00	74.00	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
2. Diversity				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age group by employee category				
Management – Under 30	Percentage	3.00	4.00	0.00
Management – Between 30-50	Percentage	45.00	43.00	44.00
Management – Above 50	Percentage	52.00	53.00	56.00
Executive – Under 30	Percentage	30.00	23.00	21.00
Executive – Between 30-50	Percentage	43.00	52.00	51.00
Executive – Above 50	Percentage	27.00	25.00	28.00
Non-executive/Technical staff – Under 30	Percentage	27.00	15.00	15.00
Non-executive/Technical staff – Between 30-50	Percentage	50.00	57.00	55.00
Non-executive/Technical staff – Above 50	Percentage	23.00	28.00	30.00
General workers – Under 30	Percentage	40.00	36.00	31.00
General workers – Between 30-50	Percentage	47.00	47.00	51.00
General workers – Above 50	Percentage	13.00	17.00	18.00
Gender group by employee category				
Management – Male	Percentage	41.00	43.00	44.00
Management – Female	Percentage	59.00	57.00	56.00
Executive – Male	Percentage	44.00	35.00	34.00
Executive – Female	Percentage	56.00	65.00	66.00
Non-executive/Technical staff – Male	Percentage	65.00	70.00	72.00
Non-executive/Technical staff – Female	Percentage	35.00	30.00	28.00
General workers – Male	Percentage	72.00	73.00	74.00
General workers – Female	Percentage	28.00	27.00	26.00

SUSTAINABILITY PERFORMANCE DATA

3-YEAR PERFORMANCE DATA TABLE

Performance Indicators	Measurement Units	FYE 30 April 2024	FYE 30 April 2025	FYE 30 April 2026
2. Diversity				
Bursa C3(b) Percentage of **Directors** by gender and age group				
Male	Percentage	60.00	67.00	67.00
Female	Percentage	40.00	33.00	33.00
Under 30	Percentage	0.00	0.00	0.00
Between 30-50	Percentage	0.00	0.00	0.00
Above 50	Percentage	100.00	100.00	100.00
3. Community/Society				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	132,000.00	233,674.00	299,191.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	232	73	144
4. Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.60	0.14	0.44
Bursa C5(c) Number of employees trained on health and safety standards	Number	132	209	160
5. Energy Management				
Bursa C4(a) Total energy consumption	Megawatt	3,580.00	4,015.00	3,949.00
6. Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	90.00	89.00	91.00
7. Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0
8. Labour Practices and Standards				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	642	1,003	869
Executive	Hours	1,827	2,444	2,223
Non-executive/Technical staff	Hours	384	575	661
General workers	Hours	1,567	1,152	1,449
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	6.00	6.00	6.00

SUSTAINABILITY PERFORMANCE DATA

3-YEAR PERFORMANCE DATA TABLE

Performance Indicators	Measurement Units	FYE 30 April 2024	FYE 30 April 2025	FYE 30 April 2026
8. Labour Practices and Standards				
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	1	1	1
Executive	Number	16	18	7
Non-executive/Technical staff	Number	9	7	3
General workers	Number	44	31	36
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
9. Water Management				
Bursa C9(a) Total volume of water used	Megalitres	20.000000	32.000000	35.000000

BURSA MALAYSIA PRESCRIBED TABLE

KEIN HING INTERNATIONAL BHD

BMLR Transition Period

Date & Time: 2026-08-18_13:07:09

Main Market | Group 2 | FYE 30/04/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Anti-corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	100.00	100.00	100.00	No assurance
Bursa (Anti-corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	100.00	100.00	100.00	No assurance
Bursa (Anti-corruption)	Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical Staff	Percentage	74.00	100.00	100.00	No assurance
Bursa (Anti-corruption)	Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00	100.00	100.00	No assurance
Bursa (Anti-corruption)	Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0	No assurance
Bursa (Community/Society)	Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	233,674.00	299,199.00	120,000.00	No assurance
Bursa (Community/Society)	Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	73	144	100	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Management under 30	Percentage	4.00	0.00	At least 50% age between 30-50	No assurance

BURSA MALAYSIA PRESCRIBED TABLE

KEIN HING INTERNATIONAL BHD
BMLR Transition Period

Date & Time: 2026-08-18_13:07:09
Main Market | Group 2 | FYE 30/04/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Management between 30-50	Percentage	43.00	44.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Management above 50	Percentage	53.00	56.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Executive under 30	Percentage	23.00	21.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Executive between 30-50	Percentage	52.00	51.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Executive above 50	Percentage	25.00	28.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Non-executive/Technical Staff under 30	Percentage	15.00	15.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Non-executive/Technical Staff between 30-50	Percentage	57.00	55.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - Non-executive/Technical Staff above 50	Percentage	28.00	30.00	At least 50% age between 30-50	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-08-18_13:07:09

KEIN HING INTERNATIONAL BHD

BMLR Transition Period

Date & Time: 2026-08-18_13:07:09

Main Market | Group 2 | FYE 30/04/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - General Workers under 30	Percentage	36.00	31.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - General Workers between 30-50	Percentage	47.00	51.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by age group by employee category - General Workers above 50	Percentage	17.00	18.00	At least 50% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - Management Male	Percentage	43.00	44.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - Management Female	Percentage	57.00	56.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - Executive Male	Percentage	35.00	34.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - Executive Female	Percentage	65.00	66.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - Non-executive/Technical Staff Male	Percentage	70.00	72.00	At least 30% women representation at Executive & above	No assurance

BURSA MALAYSIA PRESCRIBED TABLE

KEIN HING INTERNATIONAL BHD

BMLR Transition Period

Date & Time: 2026-08-18_13:07:09

Main Market | Group 2 | FYE 30/04/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - Non-executive/Technical Staff Female	Percentage	30.00	28.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - General Workers Male	Percentage	73.00	74.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(a) Percentage of employees by gender group by employee category - General Workers Female	Percentage	27.00	26.00	At least 30% women representation at Executive & above	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender group - Male	Percentage	67.00	67.00	At least 30% women representation	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by gender group - Female	Percentage	33.00	33.00	At least 30% women representation	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by age group - Under 30	Percentage	0.00	0.00	At least 30% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by age group - Between 30-50	Percentage	0.00	0.00	At least 30% age between 30-50	No assurance
Bursa (Diversity)	Bursa C3(b) Percentage of directors by age group - Above 50	Percentage	100.00	100.00	At least 30% age between 30-50	No assurance
Bursa (Energy Management)	Bursa C4(a) Total energy consumption	Megawatt	4,015.00	3,949.00	3,600.00	No assurance
Bursa (Health and Safety)	Bursa C5(a) Number of work-related fatalities	Number	0	0	0	No assurance

BURSA MALAYSIA PRESCRIBED TABLE

KEIN HING INTERNATIONAL BHD
BMLR Transition Period

Date & Time: 2026-08-18_13:07:09
Main Market | Group 2 | FYE 30/04/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Health and Safety)	Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.14	0.44	1.00	No assurance
Bursa (Health and Safety)	Bursa C5(c) Number of employees trained on health and safety standards	Number	209	160	100	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - Management	Hours	1,003	869	An average of 4 training hours per employee	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - Executive	Hours	2,444	2,223	An average of 4 training hours per employee	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - Non-executive/Technical Staff	Hours	575	661	An average of 4 training hours per employee	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(a) Total hours of training by employee category - General Workers	Hours	1,152	1,449	An average of 4 training hours per employee	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	6.00	6.00	5.00	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - Management	Number	1	1	0	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - Executive	Number	18	7	10	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - Non-executive/Technical Staff	Number	7	3	20	No assurance

This report was generated on the Bursa Malaysia CSI Platform on 2026-08-18_13:07:09

BURSA MALAYSIA PRESCRIBED TABLE

KEIN HING INTERNATIONAL BHD

BMLR Transition Period

Date & Time: 2026-08-18_13:07:09

Main Market | Group 2 | FYE 30/04/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Bursa (Labour Practices and Standards)	Bursa C6(c) Total number of employee turnover by employee category - General Workers	Number	31	36	50	No assurance
Bursa (Labour Practices and Standards)	Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0	No assurance
Bursa (Supply Chain Management)	Bursa C7(a) Proportion of spending on local suppliers	Percentage	89.00	91.00	75.00	No assurance
Bursa (Data Privacy and Security)	Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	No assurance
Bursa (Water)	Bursa C9(a) Total volume of water used	Megalitres	32	35	21	No assurance

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

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

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

CORPORATE GOVERNANCE OVERVIEW STATEMENT

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

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

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

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

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

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

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

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

The Board is led by a competent and responsible Chairman who is committed to ensuring the effective operation and performance of the Board, ensuring the integrity and effectiveness of the governance process of the Board and acts as facilitator at meetings. The Chairman provides leadership in the Board and ensure that the Board and Board Committees function effectively. The Chairman sets the agenda for the Board meetings in consultation with the Group Managing Director and the Company Secretary and looks into effective director engagements. With effect from 26 June 2026, the Chairman of the Board is Mr. Darsan Singh A/L Balwant Singh, an Independent Non-Executive Director of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

In compliance with Practice 1.4 of the Code, the Chairman of the Board is not a member of the Audit and Risk Management Committee, Nominating Committee and Remuneration Committee.

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

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

In order to promote accountability, transparency and to uphold independent judgement in decision making, the positions of Chairman and the Group Managing Director are held by two different individuals as both positions have distinct and separate roles and responsibilities. Furthermore, the distinct and separate roles of the Chairman and the Group Managing Director come with a clear division of responsibilities to ensure a balance of power and authority, such that no one individual has unfettered powers in decision making. The Group Managing Director focuses on the business and is responsible for the management of the Group, making and implementing operational and corporate decisions as well as developing, coordinating and implementing business and corporate strategies including sustainability-related strategies. On the other hand, the responsibilities of the Chairman include leading the Board in its collective oversight of Management, and instilling good corporate governance practices, leadership and effectiveness of the Board.

Board Charter

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

The Board Charter covers the following broad areas:

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

Code of Conduct and Ethics and Anti-Corruption Policy

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Code of Conduct and Ethics is published on the Company's website at www.keinhing.com.

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

Corporate Disclosure Policy and Whistleblowing Policy

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

Sustainability

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

Company Secretary

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

II. Board Composition

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

The Board of KHIB, comprises seven (7) members, of whom two (2) are Executive Directors, five (5) are Independent Non-Executive Directors. This is in compliance with Paragraph 15.02 of the MMLR of Bursa Securities, where at least two (2) Directors or one-third (1/3) of the Board, whichever is higher, are Independent Directors. Furthermore, the Company has complied with Practice 5.2 of the Code with at least half of the Board being Independent Directors. Presently, the Board comprises a majority of Independent Directors. The profile of each Director is set out on pages 5 to 8 of the Annual Report 2026.

The five (5) Independent Non-Executive Directors fulfill the important role in corporate accountability as they furnish balanced and independent view to the Board, particularly on issues pertaining to shareholders, stakeholders and various communities in which the Group operates and issues of conflict of interest or related party transactions. All Independent Non-Executive Directors are independent of management and are free of any relationship that could interfere with their exercise of independent judgment. The Company has also appointed Mr. Khor Yew Chye as the Senior Independent Non-Executive Director with effect from 1 June 2023.

Diversity

A diverse Board can offer greater depth and breadth compared to a non-diverse Board as well as diversity at Senior Management level will provide constructive debates, which lead to better decisions. The Board has two (2) women directors out of seven (7) directors while out of six (6) Key Senior Management in the Group, three (3) of them are females. This shows that the Group practices non-discrimination in any form especially in terms of gender and provides equal opportunity to everyone throughout the Group.

The Board although has no specific policy on gender diversity, is fully conversant with the benefit and contribution of a diverse Board to constructive debates, better decision making and performance of the Company. Gender diversity enables the discussion of the same ideas in differing ways and better equips the Company to face challenges in an ever-changing, volatile and competitive environment. At the moment, the Board has not set any target for the appointment of Woman Directors to the Board. Nevertheless, the Board composition presently comprises two (2) women directors representing 28.57% of the Board composition. The Board has applied Practice 5.9 of the Code which recommends to the Board to have at least 30% women directors as at the financial year ended 30 April 2026. The Board also met the requirement of the Amendments to the Main Market Listing Requirements dated 19 January 2022 which requires the Company to have at least 1 woman director on its Board by 1 June 2023 ("Amendment MMLR 19/1/2022"). However, with the appointment of Mr. Darsan Singh A/L Balwant Singh on 26 June 2026 as additional Independent Non-Executive Director of the Company, the percentage of women directors on the Board has reduced from 33.33% to 28.57%. Nevertheless, the Nominating Committee will include steps to identify and encourage suitable female candidates who have the qualifications, competencies, skills, experience and knowledge in areas identified by the Board to be considered in its recruitment exercise from time to time and any such appointment will be made based on merit and will follow the Company's guideline on evaluation and selection of Board candidates which will provide equal opportunity to everyone. The Board candidate will also have to meet the criteria of the Company's Fit and Proper Policy which has been approved by the Board on 24 June 2022 and published on the Company's website since 1 July 2022. The Board members have the necessary knowledge, experience, requisite range of skills and competencies to enable them to discharge their duties and responsibilities effectively.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Tenure of Independent Director

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

Mr. Khor Yew Chye ("Mr. Khor") has served the Board for nine (9) years since 17 March 2017. The Board has via the Nominating Committee ("NC") assessed and is fully satisfied that he has continued to be independent and has carried out his professional duties in the best interest of the Company and the shareholders given his extensive experience and in depth knowledge of the Group's businesses. The Board believes that Mr. Khor will continue to bring valuable insights and contributions to the Board and his exercises of independent judgment is not affected by the length of his services as Independent Directors and his suitability is a function of his calibre, experience and personal qualities.

The NC has recommended to retain Mr. Khor and the Board as a whole concurred with the NC and will be seeking shareholders' approval at the forthcoming Annual General Meeting of the Company to retain Mr. Khor as Independent Director by way of ordinary resolutions via a two-tier voting process.

The justifications for retaining Mr. Khor as Independent Directors are as follows:

(i) He fulfilled the criteria under the definition of Independent Director as stated in the MMLR of Bursa Securities and is able to offer impartial judgment and independent advice to the Board.
(ii) He has vast experience in his respective industries which could provide the Board with a diverse set of experience, skill and independent assessment.
(iii) He devoted sufficient time and attention to his responsibilities as Independent Directors of the Company.
(iv) He understands the workings of the Group's business in a comprehensive manner, and is able to give advice in support of the Group's strategies and goals.
(v) He has exercised due care during his tenures as Independent Directors of the Company and carried out his duties to the best interest of the Company and Shareholders of the Company.

Subject to the Amended MMLR 19/1/2022 and the Clarifications On Implementation 25/5/2022, the Board has no policy which limits the tenure of its Independent Directors to nine (9) years so long as they continue to:

- Fulfil the criteria under the definition of Independent Director as stated in the MMLR of Bursa Securities.
- Exercise impartial judgments and carry out their duties to the best interest of the Company and the Shareholders.
- Provide positive participation and contribution towards the setting of goals, directions and strategies.

This is applied in line with Practice 5.3 of the Code.

Board Meeting

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board met five (5) times during the financial year ended 30 April 2026 and details of the Directors' attendance are as appended below:

Directors	The Financial Year Ended 30 April 2026					Number of Meetings Attended	Percentage of Attendance
	25/6/25	18/8/25	29/9/25	10/12/25	26/3/26		
Yong Elaine	√	√	√	√	√	5/5	100%
Yap Toon Choy	√	√	√	√	√	5/5	100%
Khor Yew Chye	√	√	√	X	√	4/5	80%
Jancy Oh Suan Tin	√	√	√	√	√	5/5	100%
Low Khoon Boon	√	√	√	√	√	5/5	100%
Gan Poh Chan	√	√	√	√	√	5/5	100%
Darsan Singh A/L Balwant Singh *(Appointed on 26 June 2026)*	-	-	-	-	-	-	-

Matters that were discussed, reviewed and approved during the Board Meeting held during the financial year ended 30 April 2026 included amongst others the following:

(a) Approved the Unaudited Quarterly Report for announcement to Bursa Securities.
(b) Received and reviewed the reports of the Board committees.
(c) Reviewed and approved the audited financial statements of the Company and the Group.
(d) Reviewed, discussed and approved the annual business plan and budget of the Group.
(e) Reviewed and approved the various Reports/Statements including the Enhanced Sustainability Statement for the inclusion in the Annual Report 2025.
(f) Reviewed, and amended where appropriate, approved and adopted the Board Charter, Fit and Proper Policy, Terms of Reference of Nominating Committee, Remuneration Committee and Audit and Risk Management Committee, Code of Conduct and Ethics, Corporate Disclosure Policy, Sustainability Policy, Gender Diversity Policy, Risk Management Policy, Whistleblowing Policy, Anti-Corruption Policy, Anti-Bribery and Corruption Statement and Non-assurance Services Pre-approval Policy, and Terms of Reference of Sustainability Committee.
(g) Considered and recommended dividend to be paid for the financial year ended 30 April 2025.
(h) Reviewed and recommended to the Shareholders for approval:
    a. The re-election of director(s);
    b. The renewal of the shareholders mandate for recurrent related party transactions;
    c. The renewal of the shareholders mandate for share buy-back; and
    d. The approval of aggregate directors' fees and benefit payable from 11 October 2025 until the next AGM in 2026.
(i) Reviewed the recommendation of the Audit and Risk Management Committee for the re-appointment of the External Auditors, and recommended it to the Shareholders for approval.
(j) Reviewed on quarterly basis:
    (1) the quarterly Risk Management Report presented by the Group's Risk Management Coordinator;
    (2) the recurrent related party transaction of a revenue or trading nature and any conflict of interest situation, if any, arising within the Company or the Group including any transaction or procedure or course of conduct that might raise question of management integrity;
    (3) the dealings by Directors and Principal Officers in the Securities of the Company;
    (4) the announcements made during the quarter;
    (5) the Directors' Circular Resolutions passed during the quarter; and
    (6) confirmed Minutes of the previous Meetings of Board Committees together with follow up on any matters arising therefrom.
(k) Reviewed and approved the Semi-Annual Returns.
(l) Reviewed the payment of bonus and special allowance of the Group Managing Director and Executive Chairman.
(m) Reviewed the yearly Anti-Corruption Risk Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Nominating Committee

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

The NC comprises three (3) Non-Executive Directors as at 30 April 2026, all of whom are Independent Directors.

The members of NC are as follows:

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

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

The activities of the NC in the discharge of its duties for the financial year ended 30 April 2026 are disclosed in the Nominating Committee Statement on pages 67 to 68 of the Annual Report 2026.

Appointment to the Board

All new nominees to the Board are reviewed and evaluated by the NC before a recommendation is made to the Board for appointment. Besides that, NC assists the Board in identifying and recommending suitable potential candidates with the relevant skill, knowledge and experience required including gender diversity for appointment as a director and for approval by the Board thereafter. In identifying candidates for appointment of directors, the Board does not necessarily rely on the recommendations from existing Board members, management or major shareholders. The Board will utilise independent sources to identify suitably qualified candidates, where necessary. If the selection of candidates was based on recommendation made by existing Directors, management or major shareholders, the NC will explain why these source(s) suffice and other sources were not used. In any case, the appointment and re-election of Directors will be subject to the candidate or Director meeting the criteria of the Company's Fit and Proper Policy. The NC will apply Practice 5.1 of the Code for the re-election and re-appointment of Director which will be contingent upon satisfactory evaluation of the Director's performance and contribution. Presently, the Board does not utilise any independent sources to identify suitably qualified candidates because the candidates identified have been reviewed and interviewed by the NC and have met the criteria for the selection of candidates to refresh the Board. During the financial year under review, there was no new appointment to the Board. Subsequent to the financial year, Mr. Darsan Singh A/L Balwant Singh was appointed as an Independent Non-Executive Director and Chairman of the Company on 26 June 2026.

Annual Evaluation

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Directors' Training

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

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

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

During the financial year ended 30 April 2026, the training programmes and seminars attended by the members of the Board of Directors excluding Mr. Darsan Singh A/L Balwant Singh who was appointed on 26 June 2026 were as follows:

Name of Directors	Training Programme	Date of Training
Yap Toon Choy	1. What Is The Difference Between CSR, ESG And Sustainability?	26/03/2026
Yong Elaine	1. Understanding IATF 16949:2016 Automotive Quality Management System Requirements 2. MIA Webinar Series: Board Of Directors: Navigating Resilience via ESG Strategy 3. The Integrity Code: Cracking the Ethics Challenge 4. What Is The Difference Between CSR, ESG And Sustainability? 5. Introduction To Artificial Intelligence Program	29/11/2025 05/02/2026 18/03/2026 26/03/2026 28/03/2026
Khor Yew Chye	1. MIA Webinar Series: Board Of Directors: Navigating Resilience via ESG Strategy 2. What Is The Difference Between CSR, ESG And Sustainability?	05/02/2026 26/03/2026
Jancy Oh Suan Tin	1. Updates To The Expanded Sales Tax and Service Tax: Effective 1 July 2025 2. Case Study-Based Webinar: IFRS S1 and S2: The Essentials 3. What Is The Difference Between CSR, ESG And Sustainability?	18/12/2025 04/02/2026 26/03/2026
Low Khoon Boon	1. Case Study-Based Webinar: Financial Reporting on Impact of Climate Change Effects 2. What Is The Difference Between CSR, ESG And Sustainability?	23/01/2026 26/03/2026
Gan Poh Chan	1. Quality Time Management 2. Case Study-Based Webinar: Financial Reporting on Impact of Climate Change Effects 3. What Is The Difference Between CSR, ESG And Sustainability? 4. Problem Solving & Creative Thinking	08/10/2025 23/01/2026 26/03/2026 29/04/2026

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

(a) Amendments To The Main Market Listing Requirements (Enhanced Continuing Disclosures & Exempted Related Party Transactions) on 10 December 2025.

Remuneration

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

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

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

Remuneration Committee

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

(i) To assist the Board in developing and administering a fair and transparent procedure for setting policy on remuneration of directors and senior management to ensure that remuneration packages are determined on the basis of the directors' and senior management's merit, qualification and competence, having regard to the Company's operating results, individual performance and comparable market statistics.
(ii) To recommend to the Board the framework of Executive Directors' remuneration and the remuneration package for each Executive Director, drawing from outside advice as necessary.
(iii) To ensure that the remuneration and incentives for Independent Directors do not conflict with their obligation to bring objectivity and independent judgement on the matters discussed at board meetings.
(iv) To review and recommend to the Board, guidelines for determining remuneration of Independent Directors.
(v) To recommend to the Board any performance related pay schemes for Executive Directors.
(vi) To review the Executive Directors' service contracts periodically every three (3) years or when there is a change in the terms and/or conditions of the service contract.
(vii) To consider the appointment of the service of advisers or consultants as it deems necessary to fulfil its functions.

The Terms of Reference of the Remuneration Committee which deals with its activity and duties are available at the Company's website at www.keinhing.com.

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

The members of the RC are as follows:

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

Details of the remuneration for the Directors of the Company for the financial year ended 30 April 2026 which are disclosed in compliance with Practice 8.1 of the Code are as follows:

	Group				Company	
	Directors' Fees RM'000	Salaries and Bonus RM'000	Allowances RM'000	Benefits-in-kind RM'000	Directors' Fees RM'000	Allowances RM'000
Yap Toon Choy	-	1,408	104	51	-	-
Yong Elaine	-	292	130	34	-	62
Khor Yew Chye	40	-	10	-	40	10
Jancy Oh Suan Tin	30	-	17	-	30	17
Low Khoon Boon	30	-	12	-	30	12
Gan Poh Chan	30	-	12	-	30	12
Darsan Singh A/L Balwant Singh *(Appointed on 26 June 2026)*	-	-	-	-	-	-

Details of the remuneration of the top five (5) senior management's remuneration component for the financial year ended 30 April 2026 are not disclosed on a name basis either in bands of RM50,000 (Practice 8.2) or in full details (Practice 8.3 – Step Up). This is a departure from Practice 8.2 and Practice 8.3 of the Code.

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

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

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

PRINCIPLE B — EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit and Risk Management Committee

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

All the ARMC members are Independent Non-Executive Directors.

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

In compliance with Practice 9.1 of the Code, the Chairman of the ARMC is not the Chairman of the Board.

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

In compliance with Practice 9.3 of the Code, ARMC assesses annually the suitability, objectivity, capabilities and independence of the External Auditor and make recommendations to the Board on the appointment, re-appointment or termination of the External Auditors to safeguard the quality and reliability of audited financial statements. ARMC is satisfied with the work and performance of the External Auditors for its companies in Malaysia and in Vietnam.

Collectively, the ARMC possesses a wide range of necessary skills, experience and qualifications in law, accounting, economics, business administration and sales and marketing to discharge its duties.

All the ARMC members are financially literate, competent and are able to understand matters under the purview of the ARMC including the financial reporting process. All the ARMC members undertake continuous professional development to ensure that they keep abreast of the relevant developments in accounting and auditing standards, practices and rules (Practice 9.5). The qualifications and experience of the individual ARMC members are disclosed in the Directors' Profiles on pages 6 to 8 of the Annual Report 2026.

On 26 May 2023, Bursa Securities issued the Amendments in relation to Conflict of Interest ("COI"), the scope of the Audit Committee ("AC") has been expanded to include the review of COI situations that arose or persist (in addition to those that may arise) and the measures taken to resolve, eliminate or mitigate the COI and the AC is required to disclose a summary of any COI or potential COI situation within the listed issuer or group that it has reviewed (excluding a related party transaction) and the measures to resolve, eliminate or mitigate such conflicts. During the financial year ended 30 April 2026, no COI was reported to the ARMC.

II. Risk Management and Internal Control Framework

The Board acknowledges its responsibility for ensuring the adequacy and effectiveness of the Group's Risk Management and Internal Control System as recommended by Practice 10.1 and 10.2 of the Code. This includes the establishment of an appropriate control environment and risk management framework, processes and structures and continually reviewing the adequacy and integrity of the said systems to safeguard Shareholders' investment and the Group's assets.

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

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

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

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

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Communication with Stakeholders

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

Alternatively, the shareholders and other stakeholders can seek additional information through the Company's website at www.keinhing.com.

Conduct of General Meetings

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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

the Notice of the Twenty-Second Annual General Meeting ("22nd AGM") was sent on 29 August 2025 while its 22nd AGM was only held on 10 October 2025, the Company had complied with Practice 13.1 of the Code.

The Company's 23rd AGM will be conducted physically at Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia. Notice of 23rd AGM will be sent out to the Shareholders on 28 August 2026 giving them more than 28 days notice. Thus, Practice 13.1 of the Code applies. The 23rd AGM of the Company will be held on 15 October 2026.

In compliance with Practice 13.2 of the Code, all Directors, including the Chair of the Board Committees, attended and participated at the Company's Annual General Meeting and are available to give response if there are any questions addressed to them.

Poll Voting

According to Paragraph 8.29A (1) of the MMLR, all resolutions set out in the notice of a general meeting shall be put to vote by poll. Hence, the resolutions tabled at the Company's 22nd AGM which was convened on 10 October 2025 was by poll voting. Tricor Investor & Issuing House Sdn. Bhd. ("Tricor") was appointed as Poll Administrator to conduct the poll. Independent Scrutineers were appointed to observe the polling process and to verify the results of the poll. The Scrutineers confirmed the polling result of each resolution, which included the total votes given in favour and against the resolution. The Chairman of the Company announced the results of the poll. Shareholders were entitled to appoint proxy/proxies or corporate representative where the shareholder was a corporation to vote on his/its behalf at general meeting.

Shareholders/proxies/corporate representatives/attorneys could proceed to vote on the resolutions at any time from the commencement of the 22nd AGM at 10.00 a.m. on Friday, 10 October 2025 but before the end of the voting session which was announced by the Chairman of the meeting. The results of the poll were announced to Bursa Malaysia Securities Berhad and published on the Company's website at www.keinhing.com.

Similarly, all resolutions tabled at the Company's 23rd AGM will be put to vote by poll in compliance with Paragraph 8.29(A)(i) of the MMLR.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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

COMPOSITION

The ARMC comprises the following members during the financial year ended 30 April 2026, and up to 18 August 2026:

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

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

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

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

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

ATTENDANCE AND MEETINGS

The attendance of the ARMC members at the following ARMC meetings held during the financial year ended 30 April 2026 are outlined below:

Dates of Meetings and Attendance	Audit and Risk Management Committee Members				Percentage of Attendance
	Khor Yew Chye	Jancy Oh Suan Tin	Low Khoon Boon	Gan Poh Chan	
25/06/2025	√	√	√	√	100%
18/08/2025	√	√	√	√	100%
29/09/2025	√	√	√	√	100%
10/12/2025	X	√	√	√	75%
26/03/2026	√	√	√	√	100%

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

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

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

For the financial year ended 30 April 2026, the Nominating Committee ("NC") had reviewed the terms of office and performance of the ARMC and each of its members on 25 June 2026 in accordance with paragraph 15.20 of the MMLR. The NC was satisfied that the ARMC and its members had discharged their functions, duties and responsibilities in accordance with the ARMC's Terms of Reference.

SUMMARY OF WORK

During the financial year ended 30 April 2026 ("FY2026"), the ARMC's activities were as follows:

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

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

(ii) Unaudited Quarterly Results

The ARMC reviewed the Unaudited Group Results which were prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134: *Interim Financial Reporting* and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("MMLR") including Appendix 9B of the MMLR for the fourth (4^{th}) quarter of FY2025, and the first (1^{st}), second (2^{nd}) and third (3^{rd}) quarters of FY2026 at the ARMC meetings held on 25 June 2025, 29 September 2025, 10 December 2025 and 26 March 2026 respectively prior to recommending them for approval at the respective Board of Directors' Meetings held following each of the ARMC meetings.

(iii) Group Budget 2026

At the ARMC Meeting held on 25 June 2025, the ARMC reviewed and recommended the Group Budget 2026 to the Board for approval.

(iv) Audited Financial Statements

The ARMC reviewed the report on the status of the audit for the financial year ended 30 April 2025 presented by the External Auditors KPMG PLT ("KPMG") comprising amongst others, key findings, key audit matters and significant risk areas arising from the audit at the ARMC meeting held on 25 June 2025.

At a subsequent ARMC meeting held on 18 August 2025, the ARMC went through the External Auditors' report presented by KPMG and noted that all outstanding matters reported earlier in respect of the audit of the Group for the financial year ended 30 April 2025 had been cleared and that KPMG had issued a clean report on the audit as well as on the Statement of Risk Management and Internal Control. At this meeting, the audited financial statements for the financial year ended

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

30 April 2025 together with the reports of the Auditors and Directors were tabled for the ARMC's review before the ARMC recommended them to the Board for approval.

In reviewing the Unaudited Group Results for each quarter and the audited financial statements for the financial year ended 30 April 2025, the ARMC had reviewed with the Financial Controller the following:

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

(v) External Audit

The status of the audit for the financial year ended 30 April 2025 and the audit report presented by KPMG were reviewed by the ARMC at the ARMC meeting held on 25 June 2025 and 18 August 2025 respectively.

The ARMC also met with KPMG in the absence of the Executive Directors and Management during the current financial year under review on 25 June 2025. KPMG highlighted that the Management should have the succession planning in place especially in respect of the second tier accounting and finance staff supporting the Financial Controller and Accountant. The Management was reminded that KHIB is in Group 2 with effective date of full compliance applicable for Sustainability Statement in Annual Report issued for financial year ending on or after 31 December 2026. Except for the above, KPMG reported that there was nothing material to highlight and had appreciated for all the cooperation received from the Company and management.

At the ARMC meeting held on 26 March 2026, the ARMC reviewed and discussed the External Audit Plan for the financial year ending 30 April 2026 (FY2026) and the External Audit Plan was duly approved. The ARMC also reviewed KPMG's proposed total audit and non-audit fees of RM195,000 for FY2026 for the audit of the Company and its wholly-owned subsidiary namely Kein Hing Industry Sdn. Bhd., together with the review of the Statement on Risk Management and Internal Control and had recommended it to the Board for approval. KPMG also highlighted their Transparency Report to the ARMC.

Subsequent to the financial year end, at the ARMC meeting held on 26 June 2026, the ARMC went through the Audit Status for FY2026 with KPMG and obtained clarification and explanation from the audit partner of KPMG regarding the audit status and outstanding matters, key audit matters, the significant risk areas, component auditors' work, uncorrected audit misstatements, related party transactions and other audit findings. In the process, KPMG also highlighted and discussed matters relating to management judgments and estimates regarding revenue recognition, valuation of trade receivables, valuation of inventories, and management override of controls.

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

The ARMC had in the ARMC Meeting held on 18 August 2026 reviewed the performance of KPMG notably with regards to KPMG's resources and timeliness in completing the Company's audit and had recommended KPMG to be re-appointed as auditors of the Company for the ensuing year at the forthcoming Twenty-Third Annual General Meeting of the Company at a fee to be determined by the Board of Directors.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(vi) Risk Management

The ARMC reviewed four (4) Risk Management Reports at the ARMC meetings held on 25 June 2025, 29 September 2025, 10 December 2025 and 26 March 2026 respectively. The Risk Management Coordinator had briefed the ARMC by going through the risk scorecard and risk profile. The ARMC was satisfied that the risk plans or risk controls had been implemented by the Management and the risks are kept within the scale of low risk. A specific exception was noted regarding ongoing constraint in labor supply; however, this operational risk is subject to active mitigation and close continuous monitoring by management. Accordingly, the ARMC had recommended the Quarterly Risk Management Reports to the Board, which were reviewed and approved after due consideration.

(vii) Internal Audit

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

During the financial year ended 30 April 2026, Naim Consulting and Messrs. Grant Thornton (Vietnam) Limited had made four (4) and one (1) audit visits respectively to carry out their duties and had presented the following Internal Audit Reports to the ARMC pursuant to their internal audit review of the following audit areas in the Internal Audit Plan approved by the ARMC at the following ARMC meetings:

Internal Audit Report	Audit Committee and Risk Management Meetings
Internal Audit carried out in Malaysia by Naim Consulting	
• Health and Safety – safe workplace and health practice among employees in Environmental, Safety & Health and Governance (EShG) Department in Kein Hing Industry Sdn. Bhd. ("KHI").	25 June 2025
• KHI's Supply Chain Management under the responsibility of Purchasing Department; and Half-yearly review of the Group's related party transactions.	29 September 2025
• KHI's IT Data Security and Software Licence Management.	10 December 2025
• Half-yearly review of the Group's related party transactions.	26 March 2026
Internal Audit carried out in Vietnam by Messrs. Grant Thornton (Vietnam) Limited	
• IT Data Security and Software Licence Management of Kein Hing Muramoto (Vietnam) Co., Ltd.	26 March 2026

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

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

The overall assessment result of Messrs. Grant Thornton (Vietnam) Limited on the IT Data Security and Software Licence Management of Kein Hing Muramoto (Vietnam) Co., Ltd. was satisfactory, too.

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

At the ARMC Meeting held on 26 March 2026, ARMC had reviewed and approved the Internal Audit Plan of Kein Hing Industry Sdn. Bhd. and Kein Hing Muramoto (Vietnam) Co., Ltd. for the financial year ending 30 April 2027.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(viii) Related Party Transactions and Conflict of Interest

On 25 June 2025, 29 September 2025, 10 December 2025 and 26 March 2026, the ARMC reviewed the related party transactions and conflict of interest situations (where applicable) that may arise within the Company or the Group including any transaction, procedure or course of conduct that raises questions of management integrity.

Up to the date of this report, there were no related party transactions and conflict of interest situations brought to the attention of the ARMC except for the recurrent related party transactions which will be tabled to the shareholders for approval at the forthcoming Twenty-Third Annual General Meeting of the Company to obtain the renewal of shareholders' mandate for recurrent related party transactions of a revenue or trading nature as contained in the Circular to Shareholders to be issued on 28 August 2026. There were neither new related party or parties nor new recurrent related party transactions for the financial year ended 30 April 2026.

The ARMC reviewed on a quarterly basis the Management's list of related parties and the recurrent related party transactions of a revenue and trading nature which are mainly rental paid for premises used as factories, warehouse and accommodation for employees. To ensure that all recurrent related party transactions are undertaken on an arm's length basis and on the Group's normal commercial terms consistent with the Group's usual business arrangements, practices and policies and on prices and terms not more favourable to the related parties than those generally available to the public and will not be detrimental to the minority shareholders, the ARMC had authorised the Internal Auditors, Naim Consulting to conduct half yearly internal audit review on behalf of the ARMC on the adequacy of the review methods or procedures of the KHIB Group established by Management to identify, evaluate, report and monitor the recurrent related party transactions and to ensure that Management follows the review methods or procedures in accordance with the Review Methods or Procedures as set out in paragraph 4.1 of the Proposed Renewal of Shareholders' Mandate for recurrent related party transactions of a revenue or trading nature in the Circular to Shareholders dated 28 August 2026. The Internal Auditors were satisfied that the Management had complied with the Review Methods or Procedures to identify, evaluate, report and monitor the recurrent related party transactions of a revenue or trading nature.

During the financial year ended 30 April 2026, there were no Conflict of Interest ("COI") situations within the Company or the Group tabled by Management for the ARMC's review including those that arose or persisted (in addition to those that may arise) and the measures taken to resolve eliminate or mitigate the COI.

(ix) Anti-Corruption Risk Reports

With the enforcement of Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018 ("MACC Act 2018") which was effective from 1 June 2020, the Group's Anti-Corruption Policy, Anti-Bribery and Corruption Statement and Whistleblowing Policy have been approved by the Board of Directors and uploaded to the Company's website at www.keinhing.com since 26 March 2020. The ARMC had also reviewed the Anti-Corruption Policy, Anti-Bribery and Corruption Statement and Whistleblowing Policy of the Group at least once a year at the ARMC meetings held on 26 March 2026, and had submitted them to the Board for approval on the same date.

For the financial year ended 30 April 2026, the ARMC received Yearly Anti-Corruption Risk Reports on 29 September 2025. The Risk Management Coordinator highlighted, explained and answered satisfactorily questions raised by the Directors related to the corruption risks identified.

The top three (3) key corruption risks identified and their risk status for the financial year ended 30 April 2026 were declining. The decline in the three key corruption risks was due mainly to the strict implementation of the risk treatment and controls by top management with the full support of the Group Managing Director and Executive Director.

In summary, the ARMC was satisfied that the Group:

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

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

(x) Revised ARMC's Terms of Reference

During the ARMC meeting held on 26 June 2025, the ARMC had reviewed the revised terms of reference of the ARMC. The revised terms of reference of the ARMC which was recommended to the Board for approval was duly approved. The revised terms of reference of the ARMC has been uploaded to the Company's website at www.keinhing.com.

(xi) Group Risk Management Policy

The ARMC had reviewed the Group Risk Management Policy of the Company at the ARMC meeting held on 26 June 2025 and had recommended it to the Board for approval.

(xii) Others

The ARMC had also reviewed the Board Charter, Code of Conduct and Ethics, Fit and Proper Policy, Corporate Disclosure Policy, Sustainability Policy, Gender Diversity Policy and Whistleblowing Policy of the Group at least once a year at the ARMC meetings held on 29 September 2025 and 26 March 2026 respectively, and had submitted them to the Board for approval during the financial year ended 30 April 2026. The implementation of the Code of Conduct and Ethics and Whistleblowing Policy by the Group is in compliance with paragraph 3.1 and paragraph 3.2 of the Malaysian Code on Corporate Governance 2021 ("MCCG 2021"). The approved Board Charter, Code of Conduct and Ethics, Fit and Proper Policy and Whistleblowing Policy have been uploaded to the Company's website at www.keinhing.com.

The above Audit And Risk Management Committee Report was approved at the Board of Directors' Meeting held on 18 August 2026.

NOMINATING COMMITTEE STATEMENT

The Nominating Committee ("NC") met on 25 June 2025 and 26 March 2026 during the financial year under review with full attendance of the NC members at these meetings, namely Mr. Khor Yew Chye (Chairman), Ms. Jancy Oh Suan Tin (Member) and Mr. Low Khoon Boon (Member) who are all Independent Non-Executive Directors.

The following is the summary of the activities of the NC of the Company in discharge of its duties for the financial year ended 30 April 2026.

NC Meeting held on 25 June 2025

The NC conducted an evaluation of the performance of the Directors for the previous financial year ended 30 April 2025. All Directors have completed the Evaluation of Performance Form which covered the Board Evaluation, Director's Self and Peer Evaluation, Evaluation of the Group Financial Controller, Evaluation of the Independence of Directors and Evaluation of the Audit and Risk Management Committee and its members. In the process, Directors have reviewed, assessed and answered the queries in the Evaluation of Performance Form, giving comment, where appropriate regarding the size of the Board, the required mix of skills, experience, performance and contribution of Directors; effectiveness of the Board as a whole; independence of Independent Directors and training courses attended by the Directors. Following the evaluation, the Company Secretary prepared a Summary of the Results of the Evaluation and tabled to the NC for its review. NC collated the results and reported to the Board together with the recommendations for improvement, where applicable. For the year under review the NC concluded that the Board as a whole and its committees were effective and the Directors have the necessary skills, experience and qualification and NC was also satisfied with the current composition and performance of the Board. Based on the results of the evaluation received for Mr. Kok Mun Choon ("Mr. Kok"), the Financial Controller, the NC agreed that Mr. Kok has the character, experience, integrity, technical knowledge and the commitment to be the Financial Controller of the Group.

The NC had conducted an evaluation of the term of office and performance of the Audit and Risk Management Committee ("ARMC") for the financial year ended 30 April 2025, and reviewed and assessed the composition and quality of the ARMC, their understanding of the business including risks; processes and procedures; oversight of the financial reporting process, internal controls; oversight of audit functions; ethics and compliance; and monitoring activities. Following the evaluation, the NC concluded that the ARMC and its members have been effective in discharging their responsibilities to ensure the quality, integrity and appropriateness of the financial accounting and reporting system, and have carried out their duties in accordance with the terms of reference of the ARMC.

The NC had on 25 June 2025 reviewed the retirement of Directors by rotation at the Twenty-Second Annual General Meeting of the Company in accordance with Clause 92 of the Company's Constitution, and had recommended the re-election of Mr. Khor Yew Chye and Ms. Jancy Oh Suan Tin who being eligible to be re-elected, had consented to be re-elected.

The NC reviewed the Terms of Reference of the Nominating Committee and recommended the same to the Board to continue to be published on the Company's website at www.keinhing.com.

With regards to Gender Diversity, the NC is fully conversant of the benefit and contribution of a diverse Board to the decision making process and performance of the Company and had adopted a Gender Diversity Policy approved by the Board at its meeting held on 28 June 2019. In connection to this, the Malaysian Code on Corporate Governance 2021 ("the Code") has set the requirement for Board of Directors to have at least 30% Women Directors in the Board of Director. Subsequent to this NC meeting held on 25 June 2025, the Company has achieved the 30% women participation on the Board of Directors as the Company has two (2) women Directors namely Madam Yong Elaine and Ms. Jancy Oh Suan Tin in compliance with to Practice 5.9 of the Code. By virtue of this, the Company has also met the requirement of the Amendment to the Main Market Listing Requirements dated 19 January 2022 which requires Listed Issuers to have at least 1 woman director by 1 June 2023.

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

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

NOMINATING COMMITTEE STATEMENT

NC Meeting held on 26 March 2026

The NC carried out the annual review of the Evaluation of Performance Form to be used for financial year ending 30 April 2026 for amendment or revision before recommending it to the Board of Directors for approval and release to the Directors for completion.

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

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

The above Nominating Committee Statement was approved at the Board of Directors' Meeting held on 18 August 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance 2021 promulgates, inter-alia, the need for listed companies to maintain a sound risk management framework and internal control system to safeguard shareholders' investment and Group's assets. The Board of Directors ("Board") of Kein Hing International Berhad is pleased to present the Statement on Risk Management and Internal Control (the "Statement") which is in compliance with paragraph 15.26(b) and Practice Note 9 of Bursa Malaysia Securities Berhad's Main Market Listing Requirements and has taken into account the guidelines mentioned in the Statement on Risk Management and Internal Control (Guidelines for Directors of Listed Issuers) and the Institute of Internal Auditors ("IIA") Malaysia's SORMIC Guide 2025.

BOARD'S RESPONSIBILITY

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

The Board affirms its overall responsibility for maintaining a sound risk management and internal control framework. This entails active oversight, determining the Group's overarching risk appetite, and ensuring that key business risks including financial, operational, regulatory, reputational, cybersecurity, and sustainability risks are systematically identified, assessed, and monitored. The Board acknowledges that this system is designed to manage, rather than eliminate, the risk of failure to achieve business objectives. Accordingly, the system can only provide reasonable, and not absolute, assurance against material misstatement, fraud, or financial loss.

ROLE OF THE MANAGEMENT

Management serves as the primary lines of defense, responsible for executing the Board's risk strategy and integrating the Enterprise Risk Management framework into the Group's daily operations. This entails actively identifying, assessing, mitigating, and reporting on both current and emerging risks, while maintaining a robust internal control environment.

KEY RISK MANAGEMENT AND INTERNAL CONTROL PROCESSES

Risk Management Framework

The Board firmly believes that effective risk management is critical to achieving the Group's business objectives and enhancing shareholder value. To this end, the Board has established a formal Enterprise Risk Management ("ERM") framework, aligned with the internationally recognised ISO 31000:2018 Risk Management Standard. This framework aims to provide an integrated and organised approach entity-wide. It outlines the ERM methodology, mainly promoting the risk ownership and continuous monitoring of key risks identified. The ERM framework is continually monitored to ensure that it is responsive to the changes in the business environment.

The Board recognises that Environmental, Social, and Governance ("ESG") factors present material risks and opportunities to the Group's operational resilience and long-term strategy. In alignment with the SORMIC Guide 2025 and the Malaysian Code on Corporate Governance, the Group is actively enhancing its ERM framework to systematically address these factors in the financial year ending 30 April 2027.

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

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

There is a requirement to submit quarterly Risk Management Reports by the respective heads of department to the RMC. During the current period under review, the RMC has chaired four (4) quarterly risk management meetings where the respective department heads had presented their risk scorecard, risk profile and key risk profile. Together with the department heads, the RMC compiled and evaluated the risk profiles for each of the departments in accordance with their business risk factors, its corresponding ratings and any subsequent action plans required. Subsequent to the meetings, the RMC had also prepared four (4) quarterly Risk Management Reports for submission to the ARMC for review and after the review, the ARMC was satisfied that Management had effectively implemented the necessary action plans, ensuring that the Group's residual risks were managed within the Board's approved risk appetite and tolerance. A specific exception was noted regarding ongoing constraints in labor supply; however, this operational risk is subject to active mitigation and close continuous monitoring by Management. Consequently, the ARMC recommended the quarterly Risk Management Reports to the Board, which were subsequently reviewed and endorsed after due deliberation.

Three Lines Model – Roles and Responsibilities

To ensure clear accountability and effective governance, the Group has adopted the IIA's Three Lines Model. Roles within this framework are structured as follows:

Governing Body

- **The Board and ARMC:** Maintain ultimate accountability and oversight, setting the tone at the top and guiding the Group's strategic direction and risk appetite.

Management and Assurance

- **First Line (Operational Management):** Acts as the risk owners. They are responsible for identifying, assessing, and managing risks, as well as executing internal controls on a day-to-day basis.
- **Second Line (Risk, Compliance, and Sustainability):** Provides structured oversight, establishes policy frameworks, and offers specialised support to monitor risk exposures and compliance matters.
- **Third Line (Internal Audit):** Delivers independent and objective assurance to the ARMC and the Board regarding the adequacy and effectiveness of the Group's governance, risk management, and internal control frameworks.

Internal Audit Function

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

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

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

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

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

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

- Developed the internal audit plan for the financial year ending 30 April 2027 which had been approved by the ARMC on 26 March 2026.
- Performed five (5) internal audit reviews, once on each of the areas relating to:

  (1) Health and Safety - safe workplace and health practice among employees;
  (2) Supply Chain Management in Purchasing Department;
  (3) IT data security and software license management in Kein Hing Industry Sdn. Bhd.;
  (4) Half-yearly review of related party transactions carried out in September 2025 and March 2026 respectively; and
  (5) IT data security and software license management in Kein Hing Muramoto (Vietnam) Co., Ltd.

- Issued reports on the results of the internal audit reviews, identifying weaknesses with suggested recommendations for improvements to the Management for further action to improve the system of internal control.
- Attended ARMC's meetings to present and discuss the audit reports.
- Followed-up on the implementation of corrective action plans as agreed by the Management.

During the financial year, the ARMC had met four (4) times to carry out its responsibility in reviewing the internal audit function and to assure itself on the soundness of internal control system. The total fees incurred for the outsourced internal audit function in Malaysia and Vietnam in respect of the financial year under review amounted to RM25,398.

Other Key Elements of Internal Control

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

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

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

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

- **Group Values and Code of Conduct**

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

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

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- **Anti-Corruption Policy**

  The Board has on 26 March 2026 reviewed and approved the Anti-Corruption Policy on a yearly basis in order for the Group to implement and enforce effective policies and procedures to prevent, monitor and eliminate bribery and corruption. The Group upholds a zero-tolerance approach against all forms of bribery and corruption. Employees and others acting for or on behalf of the Group are strictly prohibited from directly or indirectly soliciting, accepting or offering bribes in relation to the Group's business and operations.

- **Organisational Structure and Authorisation**

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

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

- **Information and Communication**

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

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

- **Monitoring and Review**

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

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

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

MANAGEMENT ASSURANCE

The Board has received formal written assurance from the Managing Director and the Financial Controller (serving in the capacities of CEO and CFO) that the Group's risk management and internal control systems are operating adequately and effectively, in all material respects, for the financial year under review and up to the date of approval of this statement. The Board has critically evaluated the credibility and sufficiency of this assurance by scrutinising the underlying quarterly risk reports, management monitoring mechanisms, and independent validations provided by the Internal Audit function throughout the year.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The External Auditors, Messrs KPMG PLT, have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide 3 ("AAPG 3"), *Guidance for Auditors on Engagement to Report on the Statement on Risk Management and Internal Control included in the Annual Report* issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the Annual Report of the Group for the financial year ended 30 April 2026, and reported to the Board that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

(a) has not been prepared in accordance with the disclosures required by Section 7 of the SORMIC Guide 2025, or
(b) is factually inaccurate.

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

CONCLUSION

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

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

This Statement is made in accordance with the resolution of the Board of Directors dated 18 August 2026.

ADDITIONAL DISCLOSURE REQUIREMENTS

PURSUANT TO THE BURSA MALAYSIA SECURITIES BERHAD MAIN MARKET LISTING REQUIREMENTS

Utilisation of Proceeds

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

Material Contracts

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

Audit and Non-Audit Fees

Audit and non-audit fees paid by the Group and the Company for the financial year ended 30 April 2026 are as follows:

	Group (RM)	Company (RM)
Audit fees		
- KPMG Malaysia	181,000	55,000
- Overseas affiliates of KPMG Malaysia	129,865	-
- Other auditors	13,400	-
Total	**324,265**	**55,000**
Non-audit fees		
- KPMG Malaysia	14,000	14,000
- Local affiliates of KPMG Malaysia	30,600	6,800
- Other auditors	7,400	-
Total	**52,000**	**20,800**
Grand Total	**376,265**	**75,800**

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

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

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

Details of the Group's RRPTs made during the financial year ended 30 April 2026 pursuant to the shareholders' mandate obtained by the Company at the Twenty-Second (22nd) AGM held on 10 October 2025 are disclosed in the Note 25 of the Audited Financial Statements on pages 139 to 140 of the Annual Report 2026.

STATEMENT ON DIRECTORS' RESPONSIBILITY

IN RELATION TO THE FINANCIAL STATEMENTS

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

In preparing the financial statements for the financial year ended 30 April 2026, the Directors have ascertained that:

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

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

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

FINANCIAL STATEMENTS

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2026

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

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 5 to the financial statements.

RESULTS

	Group RM	Company RM
Profit/(Loss) for the year attributable to:		
Owners of the Company	16,083,636	418,801
Non-controlling interests	2,599,899	-
	18,683,535	418,801

RESERVES AND PROVISIONS

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

DIVIDENDS

Since the end of the previous financial year, the Company paid the first and final single tier dividend of 2.5 sen per ordinary share totalling RM2,722,500 on 21 November 2025 in respect of the financial year ended 30 April 2025 as reported in the Directors' Report of that year.

The first and final single tier dividend recommended by the Directors in respect of the financial year ended 30 April 2026 is 2.5 sen per ordinary share totalling RM2,722,500. This dividend will be recognised in the subsequent financial year upon approval by the shareholders in the forthcoming Annual General Meeting.

DIRECTORS OF THE COMPANY

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

Yap Toon Choy
Yong Elaine
Khor Yew Chye
Jancy Oh Suan Tin
Low Khoon Boon
Gan Poh Chan
Darsan Singh A/L Balwant Singh *(appointed on 26 June 2026)*

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2026

DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares			
Company	**At 1.5.2025**	**Bought**	**Sold**	**At 30.4.2026**
Direct interest				
Yap Toon Choy	41,172,582	-	-	**41,172,582**
Yong Elaine	22,762,077	-	-	**22,762,077**

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

None of the other Directors holding office at 30 April 2026 had any interest in the shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

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

	From the Company RM	**From subsidiary companies RM**
Directors of the Company		
- Fees	130,000	-
- Remuneration	113,000	1,823,280
- Contributions to Employees' Provident Fund	-	49,200
- Others (including estimated monetary value of benefits-in-kind)	-	84,903
	243,000	1,957,383

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2026

ISSUE OF SHARES AND DEBENTURES

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

There were no debentures issued during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

INDEMNITY AND INSURANCE COSTS

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

RELIEF GRANTED PURSUANT TO SECTION 247(3)

Relief has been granted by the Registrar of Companies pursuant to its powers under Section 247(7) of the Companies Act 2016 to allow the following Vietnamese subsidiaries of the Company to have a different financial year end from the Company's financial year end of 30 April 2026 on the ground that the Accounting Law in Vietnam stated that "Annual accounting period shall last 12 months from early of January 1 to the end of December 31 of each calendar year. Accounting companies that have their distinctive features in respect of organisation and operation shall be entitled to select annual accounting period as full 12 months according to calendar year, starting from the 1st of the month of one quarter to the end of the last date of the last month of previous quarter of the following year and inform the finance agency."

Vietnamese Subsidiaries	Financial Year End
Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV")	31 March 2026
Kein Hing Thai Nguyen (Vietnam) Co., Ltd. ("KHTV")	31 March 2026
Kein Hing Muramoto (Hung Yen) Joint Stock Company ("KHMH")	31 March 2026

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2026

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 30 April 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2026

SIGNIFICANT EVENTS

Details of the significant events are disclosed in Note 27 to the financial statements.

AUDITORS

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

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

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Auditors' remuneration				
- Statutory audit				
KPMG	**181,000**	173,000	**55,000**	53,000
Overseas affiliates of KPMG	**129,865**	133,783	**-**	-
Other auditors	**13,400**	12,800	**-**	-
- Other services				
KPMG	**14,000**	14,000	**14,000**	14,000
Local affiliates of KPMG	**30,600**	26,450	**6,800**	6,800
Other auditors	**7,400**	5,500	**-**	-

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

....

YAP TOON CHOY
Director

....

YONG ELAINE
Director

Date: 18 August 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 30 APRIL 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Assets					
Property, plant and equipment	2	**89,707,186**	90,149,242	**-**	-
Right-of-use assets	3	**14,179,414**	16,218,743	**-**	-
Investment properties	4	**17,835,511**	12,103,798	**9,105,205**	3,199,955
Investments in subsidiaries	5	**-**	-	**64,172,346**	62,492,346
Other investments	6	**532,500**	532,500	**-**	-
Trade and other receivables	7	**-**	-	**1,450,000**	1,822,800
Total non-current assets		**122,254,611**	119,004,283	**74,727,551**	67,515,101
Inventories	8	**31,397,044**	34,637,871	**-**	-
Contract assets	9	**2,956,956**	4,477,993	**-**	-
Trade and other receivables	7	**48,648,662**	52,258,838	**670,678**	2,405,853
Current tax assets		**12,130**	278,494	**10,000**	-
Other investments	6	**25,481,828**	19,990,822	**2,367,904**	2,295,631
Cash and cash equivalents	10	**54,251,367**	60,442,802	**3,238,880**	11,143,263
Total current assets		**162,747,987**	172,086,820	**6,287,462**	15,844,747
Total assets		**285,002,598**	291,091,103	**81,015,013**	83,359,848
Equity					
Share capital	11	**54,449,998**	54,449,998	**54,449,998**	54,449,998
Reserves	11	**135,526,766**	124,696,056	**26,354,888**	28,658,587
Equity attributable to owners of the Company		**189,976,764**	179,146,054	**80,804,886**	83,108,585
Non-controlling interests	11	**15,444,634**	17,618,228	**-**	-
Total equity		**205,421,398**	196,764,282	**80,804,886**	83,108,585
Liabilities					
Loans and borrowings	12	**10,663,413**	15,460,142	**-**	-
Lease liabilities		**184,401**	104,517	**-**	-
Deferred tax liabilities	13	**3,107,909**	3,298,933	**-**	-
Total non-current liabilities		**13,955,723**	18,863,592	**-**	-
Loans and borrowings	12	**24,380,666**	25,887,664	**-**	-
Lease liabilities		**341,805**	767,338	**-**	-
Trade and other payables	14	**39,889,743**	48,532,520	**210,127**	198,377
Current tax liabilities		**1,013,263**	275,707	**-**	52,886
Total current liabilities		**65,625,477**	75,463,229	**210,127**	251,263
Total liabilities		**79,581,200**	94,326,821	**210,127**	251,263
Total equity and liabilities		**285,002,598**	291,091,103	**81,015,013**	83,359,848

The notes on pages 91 to 141 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2026

		Group		Company	
	Note	2026 RM	2025 RM	2026 RM	2025 RM
Revenue	15	**304,189,359**	327,932,464	**1,331,250**	1,353,547
Cost of sales		**(241,590,743)**	(264,420,599)	**-**	-
Gross profit		**62,598,616**	63,511,865	**1,331,250**	1,353,547
Other income		**1,763,947**	2,607,925	**16,200**	-
Distribution expenses		**(2,322,910)**	(2,411,139)	**-**	-
Administrative expenses		**(35,128,083)**	(36,864,729)	**(701,703)**	(738,741)
Other expenses		**(2,087,607)**	(4,558,403)	**(537,017)**	(1,373,610)
Results from operating activities		**24,823,963**	22,285,519	**108,730**	(758,804)
Finance income		**1,077,324**	1,333,164	**359,725**	713,433
Finance costs		**(2,823,720)**	(3,388,104)	**-**	-
Profit/(Loss) before tax		**23,077,567**	20,230,579	**468,455**	(45,371)
Tax expense	16	**(4,394,032)**	(4,499,608)	**(49,654)**	(149,730)
Profit/(Loss) for the year	17	**18,683,535**	15,730,971	**418,801**	(195,101)
Other comprehensive expense, net of tax					
Items that may be reclassified subsequently to profit or loss					
Foreign currency translation differences for foreign operations		**(5,294,639)**	(6,706,492)	**-**	-
Other comprehensive expense for the year, net of tax		**(5,294,639)**	(6,706,492)	**-**	-
Total comprehensive income/(expense) for the year		**13,388,896**	9,024,479	**418,801**	(195,101)
Profit/(Loss) attributable to:					
Owners of the Company		**16,083,636**	12,134,166	**418,801**	(195,101)
Non-controlling interests		**2,599,899**	3,596,805	**-**	-
Profit/(Loss) for the year		**18,683,535**	15,730,971	**418,801**	(195,101)
Total comprehensive income/(expense) attributable to:					
Owners of the Company		**12,060,840**	7,102,157	**418,801**	(195,101)
Non-controlling interests		**1,328,056**	1,922,322	**-**	-
Total comprehensive income/(expense) for the year		**13,388,896**	9,024,479	**418,801**	(195,101)
Basic earnings per ordinary share (sen):	19	**14.77**	11.14		
Dividends per ordinary share (sen):	20	**2.5**	2.5		

The notes on pages 91 to 141 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2026

		Attributable to owners of the Company					
		Non-distributable		Distributable			
	Note	Share capital RM	Foreign currency translation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Group							
At 1 May 2024		54,449,998	3,732,628	116,583,771	174,766,397	13,719,420	188,485,817
Foreign currency translation differences for foreign operations		-	(5,032,009)	-	(5,032,009)	(1,674,483)	(6,706,492)
Total other comprehensive expense for the year		-	(5,032,009)	-	(5,032,009)	(1,674,483)	(6,706,492)
Profit for the year		-	-	12,134,166	12,134,166	3,596,805	15,730,971
Total comprehensive (expense)/income for the year		-	(5,032,009)	12,134,166	7,102,157	1,922,322	9,024,479
Issuance of a subsidiary's shares to non-controlling interests	27(d)	-	-	-	-	2,425,668	2,425,668
Dividends to owners of the Company	20	-	-	(2,722,500)	(2,722,500)	-	(2,722,500)
Dividends to non-controlling interests		-	-	-	-	(449,182)	(449,182)
At 30 April 2025		54,449,998	(1,299,381)	125,995,437	179,146,054	17,618,228	196,764,282
		Note 11.1	Note 11.2			Note 11.3	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2026 (CONTINUED)

		Attributable to owners of the Company					
		Non-distributable		Distributable			
	Note	Share capital RM	Foreign currency translation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	Total equity RM
Group							
At 1 May 2025		54,449,998	(1,299,381)	125,995,437	179,146,054	17,618,228	196,764,282
Foreign currency translation differences for foreign operations		-	(4,022,796)	-	(4,022,796)	(1,271,843)	(5,294,639)
Total other comprehensive expense for the year		-	(4,022,796)	-	(4,022,796)	(1,271,843)	(5,294,639)
Profit for the year		-	-	16,083,636	16,083,636	2,599,899	18,683,535
Total comprehensive (expense)/income for the year		-	(4,022,796)	16,083,636	12,060,840	1,328,056	13,388,896
Changes in ownership interests in a subsidiary	26	-	-	1,492,370	1,492,370	(3,172,370)	(1,680,000)
Dividends to owners of the Company	20	-	-	(2,722,500)	(2,722,500)	-	(2,722,500)
Dividends to non-controlling interests		-	-	-	-	(329,280)	(329,280)
At 30 April 2026		54,449,998	(5,322,177)	140,848,943	189,976,764	15,444,634	205,421,398
		Note 11.1	Note 11.2			Note 11.3	

The notes on pages 91 to 141 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 APRIL 2026

	Note	***Non-distributable*** **Share capital RM**	***Distributable*** **Retained earnings RM**	**Total RM**
Company				
At 1 May 2024		54,449,998	31,576,188	86,026,186
Loss and total comprehensive expense for the year		-	(195,101)	(195,101)
Dividends to owners of the Company	20	-	(2,722,500)	(2,722,500)
At 30 April 2025/1 May 2025		**54,449,998**	**28,658,587**	**83,108,585**
Profit and total comprehensive income for the year		**-**	**418,801**	**418,801**
Dividends to owners of the Company	20	**-**	**(2,722,500)**	**(2,722,500)**
At 30 April 2026		**54,449,998**	**26,354,888**	**80,804,886**
		Note 11.1		

The notes on pages 91 to 141 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2026

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from operating activities					
Profit/(Loss) before tax		**23,077,567**	20,230,579	**468,455**	(45,371)
Adjustments for:					
Depreciation of:					
- Property, plant and equipment	2	**10,249,762**	10,619,433	**-**	-
- Right-of-use assets	3	**1,305,774**	1,320,898	**-**	-
- Investment properties	4	**173,537**	173,537	**-**	-
Gain on disposal of property, plant and equipment	17	**(723,373)**	(115,826)	**-**	-
Gain on derecognition of right-of-use assets	17	**(1,412)**	(28,776)	**-**	-
Property, plant and equipment written off	17	**14,301**	966,338	**-**	-
Net reversal of write-down of inventories		**(28,471)**	(95,768)	**-**	-
Dividend income	15	**-**	-	**(1,331,250)**	(1,353,547)
Finance costs		**2,823,720**	3,388,104	**-**	-
Finance income		**(1,077,324)**	(1,333,164)	**(359,725)**	(713,433)
Unrealised foreign exchange (gain)/loss	17	**(42,859)**	316,051	**47,243**	907,458
Fair value (gain)/loss on other investment	6	**(16,200)**	11,400	**(16,200)**	11,400
Operating profit/(loss) before changes in working capital		**35,755,022**	35,452,806	**(1,191,477)**	(1,193,493)
Changes in working capital:					
Inventories		**2,005,484**	(3,407,344)	**-**	-
Contract assets		**1,336,121**	(1,854,396)	**-**	-
Trade and other receivables		**1,132,664**	(9,965,505)	**4,056**	19,693
Trade and other payables		**(6,523,250)**	9,861,906	**11,750**	17,155
Cash generated from/(used in) operations		**33,706,041**	30,087,467	**(1,175,671)**	(1,156,645)
Interest paid	*(iii)*	**(48,688)**	(108,275)	**-**	-
Income tax paid		**(3,559,507)**	(4,177,958)	**(112,540)**	(181,230)
Net cash from/(used in) operating activities		**30,097,846**	25,801,234	**(1,288,211)**	(1,337,875)

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2026 (CONTINUED)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Cash flows from investing activities					
Acquisition of property, plant and equipment	*(ii)*	**(12,469,771)**	(6,934,071)	**-**	-
Acquisition of right-of-use assets		**-**	(7,447,795)	**-**	-
Acquisition of investment properties	4	**(5,905,250)**	(3,199,955)	**(5,905,250)**	(3,199,955)
Acquisition of other investments		**-**	(225,000)	**-**	(225,000)
Acquisition of non-controlling interests	5	**(1,680,000)**	-	**(1,680,000)**	-
Placement of deposits with licensed banks		**(5,679,502)**	(19,542,510)	**(56,073)**	(2,082,031)
Dividend received	15	**-**	-	**1,331,250**	1,353,547
Proceeds from disposal of property, plant and equipment		**802,190**	231,918	**-**	-
Interest received		**1,077,324**	1,333,164	**359,725**	713,433
Net cash used in investing activities		**(23,855,009)**	(35,784,249)	**(5,950,348)**	(3,440,006)
Cash flows from financing activities					
Net repayment from subsidiaries		**-**	-	**2,056,676**	3,593,564
Repayment of term loans		**(3,881,378)**	(4,665,130)	**-**	-
Proceeds from other borrowings		**1,222,550**	578,605	**-**	-
Repayment of hire purchase liabilities	*(iii)*	**(3,002,670)**	(2,762,047)	**-**	-
Payment of lease liabilities	*(iii)*	**(894,236)**	(1,010,151)	**-**	-
Issuance of a subsidiary's shares to non-controlling interests	27(d)	**-**	2,425,668	**-**	-
Dividends paid to owners of the Company	20	**(2,722,500)**	(2,722,500)	**(2,722,500)**	(2,722,500)
Dividends paid to non-controlling interest		**(329,280)**	(449,182)	**-**	-
Interest paid		**(2,775,032)**	(3,279,829)	**-**	-
Net cash (used in)/from financing activities		**(12,382,546)**	(11,884,566)	**(665,824)**	871,064
Net decrease in cash and cash equivalents		**(6,139,709)**	(21,867,581)	**(7,904,383)**	(3,906,817)
Effect of exchange rate fluctuations on cash held		**(51,726)**	227,259	**-**	-
Cash and cash equivalents at the beginning of the year	*(i)*	**60,442,802**	82,083,124	**11,143,263**	15,050,080
Cash and cash equivalents at the end of the year	***(i)***	**54,251,367**	60,442,802	**3,238,880**	11,143,263

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2026 (CONTINUED)

(i) Cash and cash equivalents

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

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Deposits placed with licensed banks	10	**-**	3,821,767	**-**	2,581,128
Cash and bank balances	10	**54,251,367**	56,621,035	**3,238,880**	8,562,135
		54,251,367	60,442,802	**3,238,880**	11,143,263

(ii) Acquisition of property, plant and equipment

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

	Group 2026 RM	Group 2025 RM
Paid in cash	**12,406,675**	6,934,071
In the form of hire purchase	**1,893,811**	1,644,770
Balances remained unpaid at financial year end	**-**	252,514
	14,300,486	8,831,355

During the financial year, the Group paid in cash the remaining outstanding amount of RM63,096 in relation to plant and equipment acquired in the previous financial year.

The Group also entered into hire purchase agreement with principal amount of RM189,418 to finance the plant and equipment acquired in the previous financial year.

(iii) Cash outflows for leases as a lessee

	Note	Group 2026 RM	Group 2025 RM
Included in net cash from operating activities:			
Expense relating to short-term leases	17	**288,082**	194,196
Expense relating to leases of low-value assets	17	**144,041**	151,190
Interest paid in relation to lease liabilities	17	**48,688**	108,275
Included in net cash used in financing activities:			
Payment of lease liabilities		**894,236**	1,010,151
Total cash outflows for leases		**1,375,047**	1,463,812

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 30 APRIL 2026 (CONTINUED)

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

	At 1.5.2025 RM	Net changes from financing cash flows RM	Additions RM	Derecognition of lease RM	Foreign exchange movement RM	At 30.4.2026 RM
Group						
Secured bankers' acceptance	**3,184,109**	**(1,052,772)**	**-**	**-**	**-**	**2,131,337**
Secured bills payable	**16,004,583**	**2,275,322**	**-**	**-**	**(1,320,880)**	**16,959,025**
Secured term loans	**18,362,626**	**(3,881,378)**	**-**	**-**	**(1,404,578)**	**13,076,670**
Hire purchase liabilities	**3,796,488**	**(3,002,670)**	**2,083,229**	**-**	**-**	**2,877,047**
Lease liabilities	**871,855**	**(894,236)**	**656,684**	**(108,097)**	**-**	**526,206**
Total liabilities from financing activities	**42,219,661**	**(6,555,734)**	**2,739,913**	**(108,097)**	**(2,725,458)**	**35,570,285**

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

NOTES TO THE FINANCIAL STATEMENTS

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

Principal place of business and registered office
Lot 1863, Jalan Kolej
43300 Seri Kembangan
Selangor Darul Ehsan

The consolidated financial statements of the Company as at and for the financial year ended 30 April 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities"). The financial statements of the Company as at and for the financial year ended 30 April 2026 do not include other entities.

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 5 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 18 August 2026.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

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

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

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

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

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures* – Amendments to the *Fair Value Option for Investments in Associates and Joint Ventures*

NOTES TO THE FINANCIAL STATEMENTS

1. BASIS OF PREPARATION (CONTINUED)

(a) Statement of compliance (continued)

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

- MFRS 20, *Regulatory Assets and Regulatory Liabilities*

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

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

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

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

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

- from the annual period beginning on 1 May 2029 for the accounting standards that are effective for annual periods beginning on or after 1 January 2029.

The initial application of the abovementioned accounting standards and amendments are not expected to have any material financial impact to the current period and prior period financial statements of the Group and of the Company, except as mentioned below:

MFRS 18, *Presentation and Disclosure in Financial Statements*

MFRS 18 will replace MFRS 101, *Presentation of Financial Statements* and applies for annual periods beginning on or after 1 January 2027. The new accounting standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly defined operating profit subtotal.

- Management–defined performance measures ("MPMs") are disclosed in a single note in the financial statements.

- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of adopting MFRS 18.

1. BASIS OF PREPARATION (CONTINUED)

(b) Basis of measurement

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

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

(c) Functional and presentation currency

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

(d) Use of estimates and judgements

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

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

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

- Note 5 - Impairment review of investments in subsidiaries
- Note 7 & 22.4.5 - Measurement of the recoverable amount of amount due from subsidiaries

2. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings on freehold land RM	Buildings on leasehold land RM	Plant and machinery, electrical installations and factory equipment RM	Office equipment, furniture and fittings and renovation RM	Motor vehicles RM	Under construction RM	Total RM
Group								
Cost								
At 1 May 2024	8,529,675	17,511,425	41,999,459	163,238,106	21,619,994	10,003,030	-	262,901,689
Additions	335,000	-	2,517,168	3,791,800	1,063,753	652,070	471,564	8,831,355
Disposals	-	-	-	(3,515,456)	(67,541)	(743,752)	-	(4,326,749)
Write off	-	-	(988,344)	(1,834,789)	(1,481,196)	-	-	(4,304,329)
Effect of movements in exchange rates	-	-	(4,900,105)	(9,050,286)	(568,517)	(464,994)	(26,611)	(15,010,513)
At 30 April 2025/ 1 May 2025	**8,864,675**	**17,511,425**	**38,628,178**	**152,629,375**	**20,566,493**	**9,446,354**	**444,953**	**248,091,453**
Additions	**-**	**-**	**2,200,743**	**8,714,733**	**2,159,540**	**1,225,470**	**-**	**14,300,486**
Disposals	**-**	**-**	**-**	**(1,394,528)**	**(2,694)**	**(2,665,406)**	**-**	**(4,062,628)**
Write off	**-**	**-**	**(47,217)**	**(125,669)**	**(253,400)**	**-**	**-**	**(426,286)**
Reclassification	**-**	**-**	**407,767**	**-**	**-**	**-**	**(407,767)**	**-**
Effect of movements in exchange rates	**-**	**-**	**(3,162,211)**	**(5,710,617)**	**(374,117)**	**(301,894)**	**(37,186)**	**(9,586,025)**
At 30 April 2026	**8,864,675**	**17,511,425**	**38,027,260**	**154,113,294**	**22,095,822**	**7,704,524**	**-**	**248,317,000**

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold land RM	Buildings on freehold land RM	Buildings on leasehold land RM	Plant and machinery, electrical installations and factory equipment RM	Office equipment, furniture and fittings and renovation RM	Motor vehicles RM	Under construction RM	Total RM
Group								
Accumulated depreciation								
At 1 May 2024	-	6,737,227	11,065,766	122,915,356	14,302,844	7,723,147	-	162,744,340
Depreciation for the year	-	372,609	1,266,326	6,997,604	1,307,013	675,881	-	10,619,433
Disposals	-	-	-	(3,470,392)	(65,579)	(674,686)	-	(4,210,657)
Write off	-	-	(136,208)	(1,814,971)	(1,386,812)	-	-	(3,337,991)
Effect of movements in exchange rates	-	-	(1,068,639)	(5,878,668)	(523,881)	(401,726)	-	(7,872,914)
At 30 April 2025/ 1 May 2025	**-**	**7,109,836**	**11,127,245**	**118,748,929**	**13,633,585**	**7,322,616**	**-**	**157,942,211**
Depreciation for the year	**-**	**372,609**	**1,377,614**	**6,527,108**	**1,353,645**	**618,786**	**-**	**10,249,762**
Disposals	**-**	**-**	**-**	**(1,315,924)**	**(2,492)**	**(2,665,395)**	**-**	**(3,983,811)**
Write off	**-**	**-**	**(36,200)**	**(124,568)**	**(251,217)**	**-**	**-**	**(411,985)**
Effect of movements in exchange rates	**-**	**-**	**(754,643)**	**(3,855,435)**	**(327,469)**	**(248,816)**	**-**	**(5,186,363)**
At 30 April 2026	**-**	**7,482,445**	**11,714,016**	**119,980,110**	**14,406,052**	**5,027,191**	**-**	**158,609,814**
Carrying amounts								
At 1 May 2024	8,529,675	10,774,198	30,933,693	40,322,750	7,317,150	2,279,883	-	100,157,349
At 30 April 2025/ 1 May 2025	**8,864,675**	**10,401,589**	**27,500,933**	**33,880,446**	**6,932,908**	**2,123,738**	**444,953**	**90,149,242**
At 30 April 2026	**8,864,675**	**10,028,980**	**26,313,244**	**34,133,184**	**7,689,770**	**2,677,333**	**-**	**89,707,186**

NOTES TO THE FINANCIAL STATEMENTS

2. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

2.1 Security

Certain property, plant and equipment of the Group amounting to RM47,098,954 (2025: RM49,911,423) are charged to licensed banks as security for loans and borrowings (Note 12).

2.2 Material accounting policy information

(a) Recognition and measurement

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

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

(b) Depreciation

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

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

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

3. RIGHT-OF-USE ASSETS

	Leasehold land RM	Land use rights RM	Buildings RM	Total RM
Group				
At 1 May 2024	1,578,708	8,255,685	1,331,107	11,165,500
Additions	-	7,447,795	1,278,601	8,726,396
Depreciation	(24,443)	(276,138)	(1,020,317)	(1,320,898)
Derecognition of lease	-	-	(754,689)	(754,689)
Effect of movements in exchange rates	-	(1,597,566)	-	(1,597,566)
At 30 April 2025/1 May 2025	**1,554,265**	**13,829,776**	**834,702**	**16,218,743**
Additions	**-**	**-**	**656,684**	**656,684**
Depreciation	**(24,443)**	**(412,295)**	**(869,036)**	**(1,305,774)**
Derecognition of lease	**-**	**-**	**(106,685)**	**(106,685)**
Effect of movements in exchange rates	**-**	**(1,283,554)**	**-**	**(1,283,554)**
At 30 April 2026	**1,529,822**	**12,133,927**	**515,665**	**14,179,414**

NOTES TO THE FINANCIAL STATEMENTS

3. RIGHT-OF-USE ASSETS (CONTINUED)

3.1 Lease term

The leasehold land has lease terms between 63 and 73 years (2025: 64 and 74 years). The Group leases a number of warehouse and factory facilities and staff hostels that run between 1 to 4 years, and for certain leases with an option to renew the lease after the expiry date.

3.2 Land use rights

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

3.3 Security

Certain leasehold land amounting to RM346,937 (2025: RM352,582) and the land use rights totalling RM5,935,525 (2025: RM6,844,188) are charged to licensed banks as security for loans and borrowings of the Group (Note 12).

3.4 Extension option

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

	Lease liabilities recognised (discounted) RM	Potential future lease payments not included in lease liabilities (discounted) RM	Historical rate of extension options %
Group			
2026			
Buildings	**526,206**	**-**	**100**
2025			
Buildings	871,855	-	100

NOTES TO THE FINANCIAL STATEMENTS

3. RIGHT-OF-USE ASSETS (CONTINUED)

3.5 Judgements and assumptions in relation to leases

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

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

3.6 Material accounting policy information

(a) Recognition and measurement

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

(b) Lease and non-lease components

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

(c) Recognition exemption

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

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

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES

	Freehold land RM	Buildings on freehold land RM	Under construction RM	Total RM
Group				
Cost				
At 1 May 2024	1,890,070	8,676,836	-	10,566,906
Additions	-	-	3,199,955	3,199,955
At 30 April 2025/1 May 2025	**1,890,070**	**8,676,836**	**3,199,955**	**13,766,861**
Additions	**3,459,704**	**-**	**2,445,546**	**5,905,250**
Reclassification	**2,151,864**	**-**	**(2,151,864)**	**-**
At 30 April 2026	**7,501,638**	**8,676,836**	**3,493,637**	**19,672,111**
Accumulated depreciation				
At 1 May 2024	-	1,489,526	-	1,489,526
Depreciation for the year	-	173,537	-	173,537
At 30 April 2025/1 May 2025	**-**	**1,663,063**	**-**	**1,663,063**
Depreciation for the year	**-**	**173,537**	**-**	**173,537**
At 30 April 2026	**-**	**1,836,600**	**-**	**1,836,600**
Carrying amounts				
At 1 May 2024	1,890,070	7,187,310	-	9,077,380
At 30 April 2025/1 May 2025	**1,890,070**	**7,013,773**	**3,199,955**	**12,103,798**
At 30 April 2026	**7,501,638**	**6,840,236**	**3,493,637**	**17,835,511**

	Freehold land RM	Under construction RM	Total RM
Company			
Cost			
At 1 May 2024	-	-	-
Additions	-	3,199,955	3,199,955
At 30 April 2025/1 May 2025	**-**	**3,199,955**	**3,199,955**
Additions	**3,459,704**	**2,445,546**	**5,905,250**
Reclassification	**2,151,864**	**(2,151,864)**	**-**
At 30 April 2026	**5,611,568**	**3,493,637**	**9,105,205**
Carrying amounts			
At 1 May 2024	-	-	-
At 30 April 2025/1 May 2025	**-**	**3,199,955**	**3,199,955**
At 30 April 2026	**5,611,568**	**3,493,637**	**9,105,205**

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES (CONTINUED)

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

	Group	
	2026 RM	**2025 RM**
Lease income	**672,000**	672,000
Direct operating expenses:		
- Administrative expenses	**62,819**	62,819
- Depreciation	**173,537**	173,537

The operating lease payments to be received are as follows:

	Group	
	2026 RM	**2025 RM**
Less than one year	**672,000**	672,000
One to two years	**336,000**	1,008,000
	1,008,000	1,680,000

4.1 Fair value information

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

Fair value of investment properties are categorised as follows:

	Group	
	2026 RM Level 3	**2025 RM Level 3**
Freehold land	**5,700,000**	-
Freehold land and building	**15,800,000**	15,500,000

	Company	
	2026 RM Level 3	**2025 RM Level 3**
Freehold land	**5,700,000**	-

NOTES TO THE FINANCIAL STATEMENTS

4. INVESTMENT PROPERTIES (CONTINUED)

4.1 Fair value information (continued)

Level 3 fair value

Valuation process applied by the Group

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

4.2 Material accounting policy information

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

4.3 Investment properties under construction

The semi-detached factory with office is still under construction since previous financial year. Therefore, the fair value of this property is unable to be determined as there are uncertainties in estimating its fair value.

5. INVESTMENTS IN SUBSIDIARIES

		Company	
	Note	2026 RM	2025 RM
At cost			
Unquoted shares			
At the beginning of the year		**63,315,448**	63,315,448
Acquisition of non-controlling interests	26	**1,680,000**	-
At the end of the year		**64,995,448**	63,315,448
Less: Accumulated impairment loss		**(823,102)**	(823,102)
Carrying amounts		**64,172,346**	62,492,346

NOTES TO THE FINANCIAL STATEMENTS

5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Details of the subsidiaries are as follows:

Name of entities	Country of incorporation/ Principal place of business	Principal activities	Effective ownership interest and voting interest 2026 %	2025 %
Direct subsidiaries				
Kein Hing Industry Sdn. Bhd. ("KHI")	Malaysia	Sheet metal forming, precision machining, component assembly and manufacture and sales of gas appliances	**100**	100
Kein Hing Muramoto (Vietnam) Co., Ltd.* ("KHMV")	Vietnam	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries	**80**	75
Zenne Infinity Sdn. Bhd.# ("ZI")	Malaysia	Trading in electrical and electronic products, home appliances and gas appliances	**100**	100
Indirect subsidiaries				
Held through Kein Hing Muramoto (Vietnam) Co., Ltd.				
Kein Hing Thai Nguyen (Vietnam) Co., Ltd.* ("KHTV")	Vietnam	Sheet metal forming, precision machining, manufacturing and fabrication of tools and dies and assembly of components	**80**	75
Kein Hing Muramoto (Hung Yen) Joint Stock Company* ("KHMH") (Note 5.1)	Vietnam	Sheet metal forming, precision machining and assembly of components for electronic, automotive and other industries	**40.80**	38.25^
Held through Kein Hing Industry Sdn. Bhd.				
KHI Eduhouse Sdn. Bhd.# ("KHIE")	Malaysia	Establishing, managing and operating child care centre, pre-schools, early childhood education and daycare centre	**100**	100

* *Audited by other KPMG member firms.*

\# *Audited by other firms of auditors.*

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

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

NOTES TO THE FINANCIAL STATEMENTS

5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

5.2 Impairment review of investments in subsidiaries

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

5.2.1 Zenne Infinity Sdn. Bhd. ("ZI")

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

- The pre-tax cash flow projections were projected for 5 years (2025: 5 years) based on the financial budgets approved by the Board of Directors.
- The terminal value beyond financial year 2031 was estimated using a long-term growth rate of 4% (2025: 4%).
- Discount rate of 8.76% (2025: 8.76%) which was estimated based on the indicated weighted average cost of capital of ZI.

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

Based on the calculations, the recoverable amount of RM6,945,000 (2025: RM3,882,000) was determined. There is no further impairment loss being recognised on investment in subsidiary and amount due from this subsidiary (as disclosed in Notes 5 and 7), respectively.

5.3 Non-controlling interests in subsidiaries

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

	KHMV RM	Other subsidiaries with immaterial NCI RM	Total RM
2026			
NCI percentage of ownership interest and voting interest	**20%**		
Carrying amount of NCI	**13,662,839**	**1,781,795**	**15,444,634**
Profit/(Loss) allocated to NCI	**2,723,622**	**(123,723)**	**2,599,899**
2025			
NCI percentage of ownership interest and voting interest	25%		
Carrying amount of NCI	16,592,115	1,026,113	17,618,228
Profit/(Loss) allocated to NCI	4,110,845	(514,040)	3,596,805

NOTES TO THE FINANCIAL STATEMENTS

5. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

5.3 Non-controlling interests in subsidiaries (continued)

	KHMV	
	2026 RM	**2025 RM**
Summarised financial information before intra-group elimination		
As at 30 April		
Non-current assets	**44,002,783**	43,879,601
Current assets	**70,952,702**	77,646,442
Non-current liabilities	**(5,806,674)**	(8,675,948)
Current liabilities	**(40,834,616)**	(46,481,635)
Net assets	**68,314,195**	66,368,460
Year ended 30 April		
Revenue	**167,847,330**	185,920,319
Profit for the year	**12,705,166**	16,443,380
Total comprehensive income	**12,705,166**	16,443,380
Cash flows from operating activities	**18,126,216**	13,433,438
Cash flows used in investing activities	**(12,827,241)**	(6,345,554)
Cash flows used in financing activities	**(7,320,652)**	(7,754,983)
Exchange differences on translation of the financial statements of foreign operations	**(435,594)**	(1,184,162)
Net decrease in cash and cash equivalents	**(2,457,271)**	(1,851,261)
Dividends paid to NCI	**329,280**	449,182

5.4 Material accounting policy information

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

NOTES TO THE FINANCIAL STATEMENTS

6. OTHER INVESTMENTS

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Non-current					
Fair value through profit or loss					
Transferable club memberships		**550,080**	550,080	**-**	-
Less: Impairment losses		**(17,580)**	(17,580)	**-**	-
		532,500	532,500	**-**	-
Current					
Fair value through profit or loss					
Quoted shares		**213,600**	225,000	**213,600**	225,000
Fair value changes		**16,200**	(11,400)	**16,200**	(11,400)
		229,800	213,600	**229,800**	213,600
Amortised cost					
Deposits with licensed banks	6.1	**25,252,028**	19,777,222	**2,138,104**	2,082,031
		25,252,028	19,777,222	**2,138,104**	2,082,031
		25,481,828	19,990,822	**2,367,904**	2,295,631
		26,014,328	20,523,322	**2,367,904**	2,295,631

6.1 Deposits with licensed banks

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

Included in deposits placed with licensed banks of the Group was RM329,362 (2025: RM321,800) pledged for a banking facility granted to a wholly-owned subsidiary (Note 12).

NOTES TO THE FINANCIAL STATEMENTS

7. TRADE AND OTHER RECEIVABLES

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Non-current					
Non-trade					
Amount due from subsidiaries	7.1	**-**	-	**1,450,000**	1,822,800
		-	-	**1,450,000**	1,822,800
Current					
Trade					
Trade receivables		**45,072,210**	47,650,612	**-**	-
Less: Impairment loss		**(51,086)**	(51,086)	**-**	-
		45,021,124	47,599,526	**-**	-
Non-trade					
Amount due from subsidiaries	7.1	**-**	-	**1,098,658**	2,829,777
Less: Impairment loss		**-**	-	**(438,413)**	(438,413)
		-	-	**660,245**	2,391,364
Prepayments	7.2	**2,166,832**	1,865,089	**-**	-
Refundable deposits		**733,582**	648,010	**-**	-
Staff loan		**4,688**	9,599	**-**	-
Other receivables	7.3	**722,436**	2,136,614	**10,433**	14,489
		3,627,538	4,659,312	**670,678**	2,405,853
		48,648,662	52,258,838	**670,678**	2,405,853
		48,648,662	52,258,838	**2,120,678**	4,228,653

7.1 Amount due from subsidiaries

Included in the amount due from subsidiaries are:

(a) the non-trade receivable due from a subsidiary of RM160,275 (2025: RM2,264,709) consists of unsecured advances/loan granted to a wholly-owned subsidiary of Kein Hing Muramoto (Vietnam) Co., Ltd. in Vietnam in accordance with 1 (2025: 3) separate loan agreements which earn interest at a fixed rate of 5.47% (2025: 5.47%) per annum and are repayable by way of 10 quarterly instalments with the first instalment payment due and payable on 1 June 2023, 1 September 2023 and 1 March 2025 respectively and the subsequent instalments payable at successive intervals of 3 months.

(b) the non-trade receivable due from a subsidiary of RM2,388,383 (2025: RM2,387,868) consists of unsecured advances/loan granted to a wholly-owned subsidiary in Malaysia in accordance with 4 (2025: 5) separate loan agreements which earn interest at a fixed rate ranging from 6.47% and 6.76% (2025: ranging from 5.72% and 6.76%) per annum and are repayable by way of 10 quarterly instalments with the first instalment payment due and payable on 1 February 2024, 1 February 2025, 1 August 2025, 1 August 2026 and 1 August 2027 respectively and the subsequent instalments payable at successive intervals of 3 months.

NOTES TO THE FINANCIAL STATEMENTS

7. TRADE AND OTHER RECEIVABLES (CONTINUED)

7.2 Prepayments

Included in the prepayments are prepaid instalments as further security for hire purchase liabilities totalling RM451,760 (2025: RM575,742).

7.3 Other receivables

In the previous financial year, included in the other receivables of the Group was an insurance receivable arising from the claim for the damage caused by a natural disaster to one of its factories in Vietnam amounting to RM1,904,337. The insurance receivable was recovered in July 2025.

8. INVENTORIES

	Group	
	2026 RM	**2025 RM**
Raw materials	**10,704,709**	12,878,809
Work-in-progress	**7,175,285**	6,719,067
Manufactured inventories	**12,781,619**	14,256,322
Trading inventories	**735,431**	783,673
	31,397,044	34,637,871
Recognised in profit or loss:		
Inventories recognised as cost of sales	**241,619,214**	264,516,367
Write-down to net realisable value	**61,254**	255,893
Reversal of write-down	**(89,725)**	(351,661)

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

8.1 Material accounting policy information

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

NOTES TO THE FINANCIAL STATEMENTS

9. CONTRACT ASSETS

	Group	
	2026 RM	**2025 RM**
Contract assets	**2,956,956**	4,477,993

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

10. CASH AND CASH EQUIVALENTS

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Deposits placed with licensed banks	**-**	3,821,767	**-**	2,581,128
Cash and bank balances	**54,251,367**	56,621,035	**3,238,880**	8,562,135
	54,251,367	60,442,802	**3,238,880**	11,143,263

11. SHARE CAPITAL AND RESERVES

11.1 Share capital

	Group and Company			
	Number of shares 2026	**Amount 2026 RM**	**Number of shares 2025**	**Amount 2025 RM**
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares	**108,899,996**	**54,449,998**	108,899,996	54,449,998

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

11.2 Foreign currency translation reserve

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

11.3 Non-controlling interests

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

NOTES TO THE FINANCIAL STATEMENTS

12. LOANS AND BORROWINGS

	Group	
	2026	**2025**
	RM	**RM**
Non-current		
Secured term loans	**9,827,754**	14,130,724
Hire purchase liabilities	**835,659**	1,329,418
	10,663,413	15,460,142
Current		
Secured bankers' acceptance	**2,131,337**	3,184,109
Secured bills payable	**16,959,025**	16,004,583
Secured term loans	**3,248,916**	4,231,902
Hire purchase liabilities	**2,041,388**	2,467,070
	24,380,666	25,887,664
	35,044,079	41,347,806

The loans and borrowings are denominated in Ringgit Malaysia except for certain secured term loans and secured bills payable amounting to RM13,763,283 (2025: RM9,368,664) and RM16,172,412 (2025: RM24,698,545) which are denominated in US Dollar and Vietnam Dong respectively.

12.1 Security

The secured bankers' acceptance are secured by the following:

(i) fixed charge over certain landed properties of the Group (Notes 2 and 3); and
(ii) corporate guarantee by the Company.

The secured bills payable are secured by the following:

(i) fixed charge over certain landed properties of the Group (Note 2);
(ii) specific debenture covering the fixed charge over certain property, plant and equipment and right-of-use assets of the Group (Notes 2 and 3); and
(iii) corporate guarantee by the Company.

The secured term loans are secured by specific debenture covering the fixed charge over certain property, plant and equipment and right-of-use assets of the Group (Notes 2 and 3).

12.2 Significant financial covenants

The Group shall maintain a leverage ratio of not exceeding 2.0 times at the consolidated level is tested annually on 30 April. The banking facilities become repayable on demand if the threshold is not met at the testing date. The Group complied with the leverage ratio threshold when it was tested on 30 April 2026. The Group is expected to comply with the covenant within 12 months after the reporting date.

13. DEFERRED TAX LIABILITIES

Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**	**2026 RM**	**2025 RM**
Group						
Property, plant and equipment	**-**	-	**3,277,020**	3,539,861	**3,277,020**	3,539,861
Right-of-use assets	**-**	-	**123,760**	200,329	**123,760**	200,329
Lease liabilities	**(126,289)**	(209,244)	**-**	-	**(126,289)**	(209,244)
Other temporary differences	**(166,582)**	(232,013)	**-**	-	**(166,582)**	(232,013)
Tax (assets)/liabilities	**(292,871)**	(441,257)	**3,400,780**	3,740,190	**3,107,909**	3,298,933
Set off of tax	**292,871**	441,257	**(292,871)**	(441,257)	**-**	-
Net tax liabilities	**-**	-	**3,107,909**	3,298,933	**3,107,909**	3,298,933

Movement in temporary differences during the year

	At 1.5.2024 RM	Recognised in profit or loss (Note 16) RM	At 30.4.2025/ 1.5.2025 RM	Recognised in profit or loss (Note 16) RM	At 30.4.2026 RM
Group					
Property, plant and equipment	3,672,099	(132,238)	**3,539,861**	**(262,841)**	**3,277,020**
Right-of-use assets	262,996	(62,667)	**200,329**	**(76,569)**	**123,760**
Lease liabilities	(272,855)	63,611	**(209,244)**	**82,955**	**(126,289)**
Other temporary differences	(199,957)	(32,056)	**(232,013)**	**65,431**	**(166,582)**
	3,462,283	(163,350)	**3,298,933**	**(191,024)**	**3,107,909**

NOTES TO THE FINANCIAL STATEMENTS

13. DEFERRED TAX LIABILITIES (CONTINUED)

Unrecognised deferred tax assets

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

	Group	
	2026 RM	**2025 RM**
Unabsorbed capital allowances	**60,000**	36,000
Unutilised tax losses		
- Expire in year of assessment 2033	**7,699**	7,699
- Expire in year of assessment 2034	**861,622**	861,622
- Expire in year of assessment 2035	**1,309,679**	1,309,679
- Expire in year of assessment 2036	**116,000**	-
	2,355,000	2,215,000

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

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

14. TRADE AND OTHER PAYABLES

		Group		Company	
	Note	**2026 RM**	**2025 RM**	**2026 RM**	**2025 RM**
Current					
Trade					
Trade payables		**30,955,246**	39,357,863	**-**	-
Non-trade					
Other payables		**4,045,067**	3,814,505	**11,125**	1,376
Accruals	14.1	**4,889,430**	5,360,152	**199,002**	197,001
		8,934,497	9,174,657	**210,127**	198,377
		39,889,743	48,532,520	**210,127**	198,377

14.1 Accruals

In the previous financial year, included in accruals of the Group was an amount totalling RM252,514 relating to acquisition of property, plant and equipment.

NOTES TO THE FINANCIAL STATEMENTS

15. REVENUE

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Revenue from contract with customers				
Sales of goods				
- Manufactured products	**275,902,605**	295,188,067	**-**	-
- Tooling/Moulds	**16,034,576**	20,265,949	**-**	-
- Trading products	**5,802,381**	5,087,905	**-**	-
- Scraps	**6,449,797**	7,390,543	**-**	-
Other revenue				
Dividends	**-**	-	**1,331,250**	1,353,547
	304,189,359	327,932,464	**1,331,250**	1,353,547

15.1 Disaggregation of revenue

	Group	
	2026 RM	2025 RM
Primary geographical region		
Malaysia operation	**134,895,674**	140,762,623
Vietnam operation	**169,293,685**	187,169,841
	304,189,359	327,932,464
Timing and recognition		
At a point in time	**288,154,783**	307,666,515
Over time	**16,034,576**	20,265,949
	304,189,359	327,932,464

NOTES TO THE FINANCIAL STATEMENTS

15. REVENUE (CONTINUED)

15.2 Nature of goods

The following information reflects the typical transactions of the Group:

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

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

15.3 Transaction price allocated to the remaining performance obligations

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

NOTES TO THE FINANCIAL STATEMENTS

16. TAX EXPENSE

	Group		Company	
	2026	**2025**	**2026**	**2025**
	RM	**RM**	**RM**	**RM**
Recognised in profit or loss				
Current tax expense				
Current year	**2,922,305**	2,612,178	**75,000**	180,000
Foreign income tax	**1,673,133**	2,053,187	**-**	-
Over provision in prior years	**(10,382)**	(2,407)	**(25,346)**	(30,270)
	4,585,056	4,662,958	**49,654**	149,730
Deferred tax benefit				
Origination/(Reversal) of temporary differences	**105,171**	(145,036)	**-**	-
Over provision in prior years	**(296,195)**	(18,314)	**-**	-
	(191,024)	(163,350)	**-**	-
Total tax expense	**4,394,032**	4,499,608	**49,654**	149,730
Reconciliation of tax expense				
Profit/(Loss) for the year	**18,683,535**	15,730,971	**418,801**	(195,101)
Total tax expense	**4,394,032**	4,499,608	**49,654**	149,730
Profit/(Loss) excluding tax	**23,077,567**	20,230,579	**468,455**	(45,371)
Income tax using Malaysian tax rate of 24%	**5,538,616**	4,855,339	**112,429**	(10,889)
Effect of difference in tax rates of foreign jurisdictions	**(1,979,193)**	(2,300,252)	**-**	-
Non-deductible expenses	**1,168,266**	1,666,081	**282,071**	515,740
Changes in unrecognised temporary differences	**33,600**	321,991	**-**	-
Non-taxable income	**(57,289)**	(21,390)	**-**	-
Tax exempt income	**(3,391)**	(1,440)	**(319,500)**	(324,851)
	4,700,609	4,520,329	**75,000**	180,000
Over provision in prior years				
- Current tax	**(10,382)**	(2,407)	**(25,346)**	(30,270)
- Deferred tax	**(296,195)**	(18,314)	**-**	-
	4,394,032	4,499,608	**49,654**	149,730

NOTES TO THE FINANCIAL STATEMENTS

17. PROFIT/(LOSS) FOR THE YEAR

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Profit/(Loss) for the year is arrived at after charging/(crediting):					
Auditors' remuneration					
- Statutory audit					
KPMG		**181,000**	173,000	**55,000**	53,000
Overseas affiliates of KPMG		**129,865**	133,783	**-**	-
Other auditors		**13,400**	12,800	**-**	-
- Other services					
KPMG		**14,000**	14,000	**14,000**	14,000
Local affiliates of KPMG		**30,600**	26,450	**6,800**	6,800
Other auditors		**7,400**	5,500	**-**	-
Material expenses					
Depreciation on:					
- Property, plant and equipment	2	**10,249,762**	10,619,433	**-**	-
- Right-of-use assets	3	**1,305,774**	1,320,898	**-**	-
- Investment properties	4	**173,537**	173,537	**-**	-
Finance costs on:					
- Bank overdrafts		**-**	5	**-**	-
- Hire purchase liabilities		**225,014**	264,346	**-**	-
- Term loans		**1,329,103**	1,855,196	**-**	-
- Bills payable		**1,050,777**	957,756	**-**	-
- Bankers' acceptance		**170,138**	202,526	**-**	-
- Lease liabilities		**48,688**	108,275	**-**	-
Property, plant and equipment written off	2	**14,301**	966,338	**-**	-
Personnel expenses (including key management personnel):					
- Contributions to Employees' Provident Funds		**2,077,649**	2,022,827	**-**	-
- Wages, salaries and others		**59,303,615**	61,796,455	**243,000**	218,000
Realised foreign exchange loss		**1,871,046**	1,773,463	**489,774**	454,752
Unrealised foreign exchange loss		**-**	316,051	**47,243**	907,458
Write-down of inventories	8	**61,254**	255,893	**-**	-
Fair value loss on other investment	6	**-**	11,400	**-**	11,400

NOTES TO THE FINANCIAL STATEMENTS

17. PROFIT/(LOSS) FOR THE YEAR (CONTINUED)

	Note	Group 2026 RM	Group 2025 RM	Company 2026 RM	Company 2025 RM
Material income					
Gain on disposal of property, plant and equipment		**723,373**	115,826	**-**	-
Fair value gain on other investments	6	**16,200**	-	**16,200**	-
Unrealised foreign exchange gain		**42,859**	-	**-**	-
Reversal of write-down of inventories	8	**89,725**	351,661	**-**	-
Finance income from:					
- Deposits with licensed banks		**936,469**	998,602	**154,403**	360,849
- Trade receivables		**869**	68,389	**-**	-
- Foreign currency current account		**139,692**	266,031	**-**	-
- Staff loan		**294**	142	**-**	-
- Amount due from subsidiaries		**-**	-	**205,322**	352,584
Insurance compensation	7.3	**-**	1,904,337	**-**	-
Expenses/(Income) arising from leases					
Gain on derecognition of right-of-use assets		**(1,412)**	(28,776)	**-**	-
Expense relating to short-term leases	a	**288,082**	194,196	**-**	-
Expense relating to leases of low-value assets	a	**144,041**	151,190	**-**	-
Lease income of premise		**(672,000)**	(672,000)	**-**	-

Note a

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

NOTES TO THE FINANCIAL STATEMENTS

18. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel compensation are as follows:

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Directors				
Short-term employee benefits				
- Fees	**130,000**	130,000	**130,000**	130,000
- Remuneration	**1,936,280**	1,894,800	**113,000**	88,000
- Contributions to Employees' Provident Fund	**49,200**	47,920	**-**	-
- Others (including estimated monetary value of benefits-in-kind)	**84,903**	78,468	**-**	-
	2,200,383	2,151,188	**243,000**	218,000

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

19. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

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

	Group	
	2026 RM	**2025 RM**
Profit for the year attributable to owners of the Company	**16,083,636**	12,134,166

	Group	
	2026	**2025**
Weighted average number of ordinary shares at 30 April	**108,899,996**	108,899,996

	Group	
	2026 Sen	**2025 Sen**
Basic earnings per ordinary share	**14.77**	11.14

Diluted earnings per ordinary share

The diluted earnings per share is presented equal to basic earnings per share as the Group has no potential shares or other instruments with dilutive effects.

NOTES TO THE FINANCIAL STATEMENTS

20. DIVIDENDS

Dividends recognised by the Company:

	Sen per share	Total amount RM	Date of payment
2026			
Final 2025 ordinary, single tier	**2.5**	**2,722,500**	**21 November 2025**
2025			
Final 2024 ordinary, single tier	2.5	2,722,500	21 November 2024

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

	Sen per share	Total amount RM
Final 2026 ordinary, single tier	**2.5**	**2,722,500**

21. OPERATING SEGMENTS

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

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

Inter-segment pricing is determined based on negotiated terms.

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

21. OPERATING SEGMENTS (CONTINUED)

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

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

	Manufacturing		Trading		Investment holding		Total	
	2026 RM	2025 RM	2026 RM	2025 RM	2026 RM	2025 RM	2026 RM	2025 RM
Group								
Segment profit/ (loss)	**23,196,365**	21,933,639	**(408,905)**	(1,360,788)	**468,455**	(45,371)	**23,255,915**	20,527,480
Included in the measure of segment profit/ (loss) are:								
Revenue from external customers	**298,386,978**	322,844,559	**5,802,381**	5,087,905	**-**	-	**304,189,359**	327,932,464
Inter-segment revenue	**29,394,287**	25,344,380	**113,292**	245,230	**-**	-	**29,507,579**	25,589,610
Depreciation	**(12,967,957)**	(13,295,425)	**(39,392)**	(163,426)	**-**	-	**(13,007,349)**	(13,458,851)
Finance costs	**(4,564,396)**	(5,314,173)	**(160,612)**	(134,112)	**-**	-	**(4,725,008)**	(5,448,285)
Finance income	**2,618,887**	2,679,912	**-**	-	**359,725**	713,433	**2,978,612**	3,393,345
Segment assets	**275,245,295**	279,996,527	**2,757,123**	3,273,375	**14,732,423**	16,653,338	**292,734,841**	299,923,240
Included in the measure of segment assets are:								
Capital expenditure	**14,593,978**	16,844,458	**18,264**	14,040	**-**	-	**14,612,242**	16,858,498
Segment liabilities	**78,416,370**	93,849,130	**231,827**	218,712	**210,127**	251,263	**78,858,324**	94,319,105

21. OPERATING SEGMENTS (CONTINUED)

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

	Group 2026 RM	Group 2025 RM
Profit or loss		
Total profit or loss for reportable segments	**23,255,915**	20,527,480
Consolidation adjustments	**(178,348)**	(296,901)
Consolidated profit (excluding tax)	**23,077,567**	20,230,579

	External revenue RM	Depreciation RM	Finance costs RM	Finance income RM	Segment assets RM	Capital expenditure RM	Segment liabilities RM
Group							
2026							
Total reportable segments	**304,189,359**	**(13,007,349)**	**(4,725,008)**	**2,978,612**	**292,734,841**	**14,612,242**	**78,858,324**
Elimination of inter-segment transactions or balances	**-**	**1,278,276**	**1,901,288**	**(1,901,288)**	**(7,732,243)**	**(311,756)**	**722,876**
Consolidated total	**304,189,359**	**(11,729,073)**	**(2,823,720)**	**1,077,324**	**285,002,598**	**14,300,486**	**79,581,200**
2025							
Total reportable segments	327,932,464	(13,458,851)	(5,448,285)	3,393,345	299,923,240	16,858,498	94,319,105
Elimination of inter-segment transactions or balances	-	1,344,983	2,060,181	(2,060,181)	(8,832,137)	(579,348)	7,716
Consolidated total	327,932,464	(12,113,868)	(3,388,104)	1,333,164	291,091,103	16,279,150	94,326,821

NOTES TO THE FINANCIAL STATEMENTS

21. OPERATING SEGMENTS (CONTINUED)

Geographical segments

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

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

	Revenue from external customers by location of customers		Segment assets by location of assets	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Geographical segments				
Malaysia	**106,935,284**	110,173,025	**174,228,621**	174,965,773
Vietnam	**167,790,562**	187,346,914	**110,773,977**	116,125,330
America	**17,616,751**	17,911,078	**-**	-
Europe	**4,239,500**	4,904,192	**-**	-
Thailand	**1,657,447**	1,607,729	**-**	-
Brazil	**1,360,504**	1,135,358	**-**	-
Hong Kong	**1,768,105**	1,892,628	**-**	-
Australia	**650,011**	748,218	**-**	-
Others	**2,171,195**	2,213,322	**-**	-
Consolidated	**304,189,359**	327,932,464	**285,002,598**	291,091,103

Major customers

The following are major customers with revenue equal or more than 8% (2025: 8%) of the Group's total revenue:

	Revenue		Segment
	2026 RM	**2025 RM**	
All common control entities of:			
- Customer A	**63,865,203**	71,559,466	Manufacturing
- Customer B	**60,151,699**	63,300,992	Manufacturing
- Customer C	**25,942,139**	27,632,630	Manufacturing
- Customer D	**24,692,040**	29,011,254	Manufacturing
- Customer E	**24,351,642**	29,820,623	Manufacturing

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS

22.1 Categories of financial instruments

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

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

	Note	Carrying amount RM	AC RM	Mandatorily at FVTPL RM
2026				
Financial assets				
Group				
Other investments	6	**26,014,328**	**25,252,028**	**762,300**
Trade and other receivables (excluding prepayments)		**46,481,830**	**46,481,830**	**-**
Cash and cash equivalents	10	**54,251,367**	**54,251,367**	**-**
		126,747,525	**125,985,225**	**762,300**
Company				
Other investments	6	**2,367,904**	**2,138,104**	**229,800**
Trade and other receivables	7	**2,120,678**	**2,120,678**	**-**
Cash and cash equivalents	10	**3,238,880**	**3,238,880**	**-**
		7,727,462	**7,497,662**	**229,800**
Financial liabilities				
Group				
Loans and borrowings	12	**(35,044,079)**	**(35,044,079)**	**-**
Trade and other payables	14	**(39,889,743)**	**(39,889,743)**	**-**
		(74,933,822)	**(74,933,822)**	**-**
Company				
Trade and other payables	14	**(210,127)**	**(210,127)**	**-**

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.1 Categories of financial instruments (continued)

	Note	Carrying amount RM	AC RM	Mandatorily at FVTPL RM
2025				
Financial assets				
Group				
Other investments	6	20,523,322	19,777,222	746,100
Trade and other receivables (excluding prepayments)		50,393,749	50,393,749	-
Cash and cash equivalents	10	60,442,802	60,442,802	-
		131,359,873	130,613,773	746,100
Company				
Other investments	6	2,295,631	2,082,031	213,600
Trade and other receivables	7	4,228,653	4,228,653	-
Cash and cash equivalents	10	11,143,263	11,143,263	-
		17,667,547	17,453,947	213,600
Financial liabilities				
Group				
Loans and borrowings	12	(41,347,806)	(41,347,806)	-
Trade and other payables	14	(48,532,520)	(48,532,520)	-
		(89,880,326)	(89,880,326)	-
Company				
Trade and other payables	14	(198,377)	(198,377)	-

22.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Net (losses)/gains on:				
Financial assets at AC	**(2,234,536)**	(1,612,699)	**(177,292)**	(648,777)
Financial liabilities at AC	**(1,291,359)**	(2,423,480)	**-**	-
Financial assets at FVTPL				
- Mandatorily required by MFRS 9	**16,200**	(11,400)	**16,200**	(11,400)
	(3,509,695)	(4,047,579)	**(161,092)**	(660,177)

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.3 Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

22.4 Credit risk

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

22.4.1 Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

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

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

There are no significant changes as compared to previous years.

Exposure to credit risk, credit quality and collateral

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

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are stated at their realisable values. A significant portion of these receivables are business partners and customers with high creditworthiness that have been transacting with the Group. The Group uses ageing analysis to monitor the credit quality of the receivables. Any receivables having significant balances past due more than 90 days, which are deemed to have higher credit risk, are monitored individually.

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit risk (continued)

22.4.1 Trade receivables and contract assets (continued)

Concentration of credit risk

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

	Group	
	2026	**2025**
	RM	**RM**
Malaysia	**14,858,626**	15,373,689
Vietnam	**29,258,223**	32,688,627
America	**2,092,313**	2,269,030
Europe	**742,380**	1,050,083
Others	**1,026,538**	696,090
	47,978,080	52,077,519

At year end, the Group has outstanding trade receivables from 2 (2025: 1) significant customers totalling RM12,090,490 (2025: RM9,224,674), which are individually 10% or more of the Group's gross trade receivables.

Recognition and measurement of impairment losses

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit risk (continued)

22.4.1 Trade receivables and contract assets (continued)

Recognition and measurement of impairment losses (continued)

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

	Note	Gross carrying amount RM	Loss allowance RM	Net balance RM
Group				
2026				
Current (not past due)		**46,060,320**	**-**	**46,060,320**
1 - 90 days past due		**1,426,034**	**-**	**1,426,034**
More than 90 days past due		**542,812**	**(51,086)**	**491,726**
		48,029,166	**(51,086)**	**47,978,080**
Trade receivables	7	**45,072,210**	**(51,086)**	**45,021,124**
Contract assets	9	**2,956,956**	**-**	**2,956,956**
		48,029,166	**(51,086)**	**47,978,080**
2025				
Current (not past due)		50,056,360	-	50,056,360
1 - 90 days past due		1,543,236	-	1,543,236
More than 90 days past due		529,009	(51,086)	477,923
		52,128,605	(51,086)	52,077,519
Trade receivables	7	47,650,612	(51,086)	47,599,526
Contract assets	9	4,477,993	-	4,477,993
		52,128,605	(51,086)	52,077,519

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

	Lifetime ECL RM
Group	
Balance at 1 May 2024/30 April 2025/1 May 2025/30 April 2026	**51,086**

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit risk (continued)

22.4.2 Other investments

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment losses

The net impairment losses in respect of certain transferable club memberships and the quoted shares totalling RM1,380 (2025: RM28,980) have been recognised in the financial statements.

22.4.3 Cash and cash equivalents and deposits with licensed banks

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment losses

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

22.4.4 Other receivables

Risk management objectives, policies and processes for managing the risk

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

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit risk (continued)

22.4.4 Other receivables (continued)

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment losses

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

22.4.5 Inter-company loans and advances

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured interest-bearing loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment losses

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

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

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

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit risk (continued)

22.4.5 Inter-company loans and advances (continued)

Recognition and measurement of impairment losses (continued)

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

	Gross carrying amount RM	Loss allowance RM	Net balance RM
Company			
2026			
Low credit risk	**160,275**	**-**	**160,275**
Significant increase in credit risk	**2,388,383**	**(438,413)**	**1,949,970**
	2,548,658	**(438,413)**	**2,110,245**
2025			
Low credit risk	2,264,709	-	2,264,709
Significant increase in credit risk	2,387,868	(438,413)	1,949,455
	4,652,577	(438,413)	4,214,164

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

	Lifetime ECL RM
Company	
Balance at 1 May 2024/30 April 2025/1 May 2025/30 April 2026	**438,413**

22.4.6 Financial guarantees

Risk management objectives, policies and processes for managing the risk

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

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM5,108,384 (2025: RM7,280,597) representing the outstanding banking and lease facilities of the subsidiaries as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.4 Credit risk (continued)

22.4.6 Financial guarantees (continued)

Recognition and measurement of impairment losses

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

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

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

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

The financial guarantees have not been recognised since the fair value on initial recognition and subsequent remeasurement were not material.

22.5 Liquidity risk

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

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

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

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.5 Liquidity risk (continued)

Maturity analysis

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

	Carrying amount RM	Contractual interest rate/ Discount rate per annum	Contractual cash flows RM	Under 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM
Group							
2026							
Secured bankers' acceptance	**2,131,337**	**4.8%**	**2,153,226**	**2,153,226**	**-**	**-**	**-**
Secured bills payable	**16,959,025**	**6.0%**	**17,413,425**	**17,413,425**	**-**	**-**	**-**
Secured term loans	**13,076,670**	**8.3%**	**16,186,536**	**4,203,961**	**3,928,462**	**5,533,823**	**2,520,290**
Hire purchase liabilities	**2,877,047**	**5.9%**	**3,011,125**	**2,143,433**	**649,661**	**218,031**	**-**
Lease liabilities	**526,206**	**5.5% - 6.7%**	**555,900**	**363,650**	**150,250**	**42,000**	**-**
Trade and other payables	**39,889,743**	**-**	**39,889,743**	**39,889,743**	**-**	**-**	**-**
	75,460,028		**79,209,955**	**66,167,438**	**4,728,373**	**5,793,854**	**2,520,290**
2025							
Secured bankers' acceptance	3,184,109	5.2%	3,225,279	3,225,279	-	-	-
Secured bills payable	16,004,583	6.4%	16,496,458	16,496,458	-	-	-
Secured term loans	18,362,626	8.3%	23,106,990	5,600,283	4,529,488	9,697,652	3,279,567
Hire purchase liabilities	3,796,488	6.0%	3,996,385	2,626,784	1,248,404	121,197	-
Lease liabilities	871,855	5.5% - 6.7%	906,025	799,775	106,250	-	-
Trade and other payables	48,532,520	-	48,532,520	48,532,520	-	-	-
	90,752,181		96,263,657	77,281,099	5,884,142	9,818,849	3,279,567

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.5 Liquidity risk (continued)

Maturity analysis (continued)

	Carrying amount RM	Contractual interest rate/ Discount rate per annum	Contractual cash flows RM	Under 1 year RM
Company				
2026				
Financial guarantees	**-**	**-**	**5,108,384**	**5,108,384***
Trade and other payables	**210,127**	**-**	**210,127**	**210,127**
	210,127		**5,318,511**	**5,318,511**
2025				
Financial guarantees	-	-	7,280,597	7,280,597*
Trade and other payables	198,377	-	198,377	198,377
	198,377		7,478,974	7,478,974

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

22.6 Market risk

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

22.6.1 Currency risk

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

Risk management objectives, policies and processes for managing the risk

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

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

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.6 Market risk (continued)

22.6.1 Currency risk (continued)

Exposure to foreign currency risk

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

	Group		Company	
	Denominated in USD		Denominated in USD	
	2026 RM	2025 RM	2026 RM	2025 RM
Amount due from a subsidiary	**-**	-	**160,275**	2,264,709
Trade and other receivables	**20,322,954**	27,004,849	**-**	-
Cash and cash equivalents	**28,271,659**	33,749,018	**1,779,522**	8,113,450
Trade and other payables	**(15,530,973)**	(17,173,404)	**-**	-
Loans and borrowings	**(13,763,283)**	(9,368,664)	**-**	-
Net exposure in the statement of financial position	**19,300,357**	34,211,799	**1,939,797**	10,378,159

Currency risk sensitivity analysis

A 10% (2025: 10%) strengthening of Ringgit Malaysia against USD at the end of the reporting period would have decreased equity and profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remained constant and ignores any impact of forecasted sales and purchases.

	2026		2025	
	Equity RM	Profit or loss RM	Equity RM	Profit or loss RM
Group				
USD	**(1,429,139)**	**(1,930,036)**	(2,610,277)	(3,421,180)
Company				
USD	**(147,425)**	**(193,980)**	(788,740)	(1,037,816)

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.6 Market risk (continued)

22.6.1 Currency risk (continued)

Currency risk sensitivity analysis (continued)

A 10% (2025: 10%) weakening of Ringgit Malaysia against USD at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

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

22.6.2 Interest rate risk

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

Risk management objectives, policies and processes for managing the risk

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

Exposure to interest rate risk

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

	Group		Company	
	2026 RM	**2025 RM**	**2026 RM**	**2025 RM**
Fixed rate instruments				
Financial assets	**25,252,028**	23,598,989	**4,248,349**	8,877,323
Financial liabilities	**(3,403,253)**	(4,668,343)	**-**	-
	21,848,775	18,930,646	**4,248,349**	8,877,323
Floating rate instruments				
Financial liabilities	**(32,167,032)**	(37,551,318)	**-**	-

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.6 Market risk (continued)

22.6.2 Interest rate risk (continued)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

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

(b) Cash flow sensitivity analysis for variable rate instruments

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

	Equity		**Profit or loss**	
	100 bp increase RM	**100 bp decrease RM**	**100 bp increase RM**	**100 bp decrease RM**
Group				
2026				
Floating rate instruments	**(256,444)**	**256,444**	**(321,670)**	**321,670**
2025				
Floating rate instruments	(299,017)	299,017	(375,513)	375,513

22.7 Fair value information

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

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

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.7 Fair value information (continued)

The table below analyses other financial instruments at fair value.

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value					
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Total fair value RM	Carrying amount RM
2026										
Group										
Financial asset										
Other investments	229,800	532,500	-	762,300	-	-	-	-	762,300	762,300
Financial liabilities										
Secured term loans	-	-	-	-	-	-	13,076,670	13,076,670	13,076,670	13,076,670
Hire purchase liabilities	-	-	-	-	-	-	3,011,124	3,011,124	3,011,124	2,877,047
	-	-	-	-	-	-	16,087,794	16,087,794	16,087,794	15,953,717
Company										
Financial assets										
Other investments	229,800	-	-	229,800	-	-	-	-	229,800	229,800
Amount due from subsidiaries	-	-	-	-	-	-	2,110,245	2,110,245	2,110,245	2,110,245
	229,800	-	-	229,800	-	-	2,110,245	2,110,245	2,340,045	2,340,045

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.7 Fair value information (continued)

	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value					
	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Total fair value RM	Carrying amount RM
2025										
Group										
Financial asset										
Other investments	213,600	532,500	-	746,100	-	-	-	-	746,100	746,100
Financial liabilities										
Secured term loans	-	-	-	-	-	-	18,362,626	18,362,626	18,362,626	18,362,626
Hire purchase liabilities	-	-	-	-	-	-	3,996,385	3,996,385	3,996,385	3,796,488
	-	-	-	-	-	-	22,359,011	22,359,011	22,359,011	22,159,114
Company										
Financial asset										
Other investments	213,600	-	-	213,600	-	-	-	-	213,600	213,600
Amount due from subsidiaries	-	-	-	-	-	-	4,214,164	4,214,164	4,214,164	4,214,164
	213,600	-	-	213,600	-	-	4,214,164	4,214,164	4,427,764	4,427,764

NOTES TO THE FINANCIAL STATEMENTS

22. FINANCIAL INSTRUMENTS (CONTINUED)

22.7 Fair value information (continued)

Policy on transfer between levels

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

Level 1 fair value

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

Level 2 fair value

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

Non-derivative financial liabilities

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

Transfers between Level 1 and Level 2 fair values

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2025: no transfer in either directions).

Level 3 fair value

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

Non-derivative financial liabilities

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

Long-term floating rate borrowings

The carrying amounts of long-term floating rate borrowings approximate fair value as they are re-priced to market interest rates for liabilities with similar risk profiles at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS

23. CAPITAL COMMITMENTS

	Group		Company	
	2026 RM	2025 RM	2026 RM	2025 RM
Capital expenditure commitments				
Property, plant and equipment				
Approved and contracted for	**4,067,047**	6,803,789	**-**	-
Investment properties				
Approved and contracted for	**2,445,546**	8,115,051	**2,445,546**	8,115,051

24. CAPITAL MANAGEMENT

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that is at 1.0 time or below.

		Group	
	Note	2026 RM	2025 RM
Loans and borrowings	12	**35,044,079**	41,347,806
Lease liabilities		**526,206**	871,855
Less: Deposits placed with licensed banks	6	**(25,252,028)**	(19,777,222)
Less: Cash and cash equivalents	10	**(54,251,367)**	(60,442,802)
Net cash		**(43,933,110)**	(38,000,363)
Total equity		**205,421,398**	196,764,282
Debt-to-equity ratio		**-**	-

The Group's capital management is represented by the total equity in the statement of financial position. There was no change in the Group's approach to capital management during the financial year.

25. RELATED PARTIES

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

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

NOTES TO THE FINANCIAL STATEMENTS

25. RELATED PARTIES (CONTINUED)

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated trade terms. The significant related party transactions of the Group and the Company, other than key management personnel compensation, are shown below. The balance related to the below transactions are shown in Notes 7 and 14.

	Transaction amount for the year ended 30 April	
	2026	**2025**
	RM	**RM**
Group		
Company in which certain Directors have significant financial interests		
T.C. Yap Holdings Sdn. Bhd.		
Lease payments for premises	**238,125**	273,325
Company in which a major shareholder has significant financial interests		
Kam Loong Mining Sdn. Bhd.		
Lease payments for premises	**252,000**	247,500
Key management personnel of the Company		
Yap Toon Choy		
Lease payments for premises	**80,000**	96,000
Company		
Subsidiaries		
Kein Hing Muramoto (Vietnam) Co., Ltd.		
Dividend income	**(1,317,120)**	(1,347,547)
Kein Hing Thai Nguyen (Vietnam) Co., Ltd.		
Interest income	**(44,710)**	(246,889)
Zenne Infinity Sdn. Bhd.		
Loan provided	**700,000**	1,500,000
Interest income	**(160,612)**	(105,695)

NOTES TO THE FINANCIAL STATEMENTS

26. CHANGES IN OWNERSHIP INTERESTS IN A SUBSIDIARY

On 23 July 2025, the Group acquired an additional 5% interest in Kein Hing Muramoto (Vietnam) Co., Ltd. ("KHMV") for RM1,680,000 in cash, increasing its ownership from 75% to 80%. The carrying amount of KHMV's consolidated net assets in the Group's financial statements on the date of the acquisition was RM65,715,779. The Group recognised a decrease in non-controlling interests of RM3,172,370 and an increase in retained earnings of RM1,492,370. This resulted in a net cash outflows of RM1,680,000.

27. SIGNIFICANT EVENTS

Financial year ended 30 April 2026

Significant event in relation to changes in ownership interest in a subsidiary is disclosed in Note 26 to the financial statements.

Financial year ended 30 April 2025

(a) On 21 June 2024, the Group incorporated an indirect subsidiary, KHI Eduhouse Sdn. Bhd. ("KHIE"), which is wholly-owned by Kein Hing Industry Sdn. Bhd. ("KHI"), a wholly-owned subsidiary of the Company. The share capital of KHIE is RM1. The principal activity of KHIE is establishing, managing and operating child care centre, pre-schools, early childhood education and daycare centre.

(b) The Company had on 13 September 2024 entered into a Sale and Purchase Agreement with a third-party developer for the acquisition of a semi-detached factory with office namely Lot No. F 10 with a built-up of approximately 15,216 square feet which will be situated on a freehold land measuring approximately 23,479.51 square feet for a cash consideration of RM5,939,183. The said land is currently held under the master land title situated at Seksyen 1, Pekan Jenjarom, Daerah Kuala Langat, Selangor, Malaysia, pending land subdivision. As of the reporting date, the Company has paid RM1,048,091 and the remaining of RM4,891,092 was recognised as capital commitment (Note 23).

(c) The Company had on 4 October 2024 entered into a Sale and Purchase Agreement with a third-party developer for the acquisition of one piece of freehold industrial land identified as Plot 41, Phase 2C, Hicom Pegoh Park, Melaka, Malaysia with a land area of approximately 3.25 acres for which the land title has yet to be issued, for a cash consideration of RM5,375,823. As of the reporting date, the Company has paid RM2,151,864 and the remaining of RM3,223,959 was recognised as capital commitment (Note 23).

(d) On 20 January 2025, the Group incorporated an indirect subsidiary, Kein Hing Muramoto (Hung Yen) Joint Stock Company ("KHMH"), which is 51% owned by KHMV, a 75% held subsidiary of the Company. The share capital of KHMH is VND30.0 billion or equivalent to RM4,950,344.

(e) KHMH had on 11 February 2025 entered into a Sublease Agreement of land use rights and infrastructure attached to the land with a third-party developer for the sublease of one piece of an industrial park land identified as Plot No. Y6-B, Thang Long Industrial Park II, Duong Hao Ward, Hung Yen Province, Vietnam with a land area of approximately 12,000 square meters free of any restriction on land use rights for a cash consideration of approximately VND42.6 billion or equivalent to RM7,447,795 (Note 3).

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 82 to 141 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 30 April 2026 and of their financial performance and cash flows for the financial year then ended.

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

Yap Toon Choy
Director

Yong Elaine
Director

Date: 18 August 2026

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Kok Mun Choon,** the officer primarily responsible for the financial management of Kein Hing International Berhad, do solemnly and sincerely declare that the financial statements set out on pages 82 to 141 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed, Kok Mun Choon, NRIC No.: 710811-06-5059, MIA CA 14044, at Kuala Lumpur in the Federal Territory on 18 August 2026.

Kok Mun Choon

Before me:

Sharon Ng Saw Ean
(No. W1023)
Commissioner For Oaths

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEIN HING INTERNATIONAL BERHAD
(REGISTRATION NO. 200301013636 (616056-T)) (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

We have audited the financial statements of Kein Hing International Berhad, which comprise the statements of financial position as at 30 April 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 82 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 30 April 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

Revenue recognition	
Refer to Note 15 – Revenue	
The key audit matter	**How the matter was addressed in our audit**
The Group's revenue is derived from the sales of manufactured and trading products, sales of tooling/mould and scrap sales. For those manufactured and trading products and scrap sales, the Group generally recognises revenue when the goods are delivered and accepted by the customers, whilst the revenue for tooling/mould is recognised when the cost are incurred as there is no alternative use for the goods and the Group have rights to payment for work performed. We identified revenue recognition as a key audit matter due to risk of manipulation as management faces pressures to meets its financial performance targets to manage shareholders' expectations in which revenue is the key driver of financial performance of the Group.	We performed, amongst others, the following audit procedures: • We evaluated the design and implementation and tested the operating effectiveness of the key internal controls in respect of the revenue recognition and billings process; • We compared, on a sampling basis, sales transactions recorded before and after the financial year end date with supporting documents to assess whether revenue has been recognised in the correct financial year; • We tested trade receivables balances as at financial year end, on a sampling basis, by sending confirmations to selected trade receivables or tracing to cash receipts subsequent to the financial year end for those confirmations replies that were not forthcoming;

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEIN HING INTERNATIONAL BERHAD

(REGISTRATION NO. 200301013636 (616056-T)) (INCORPORATED IN MALAYSIA)

Key Audit Matters (continued)

Revenue recognition (continued)	
Refer to Note 15 – Revenue	
The key audit matter	**How the matter was addressed in our audit**
	• We performed test of details on the actual costs incurred during the financial year to determine the appropriateness of the contract assets recognised as at financial year end; • We evaluated, on sampling basis, credit notes issued after financial year end by vouching to supporting documents to assess whether those transactions are recognised in the correct financial year; • We identified journal entries posted to revenue account which were considered to meet specific criteria and evaluated the appropriateness of these journal entries by vouching to the relevant supporting documents; and • We assessed the adequacy of disclosures in the financial statements.

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEIN HING INTERNATIONAL BERHAD

(REGISTRATION NO. 200301013636 (616056-T)) (INCORPORATED IN MALAYSIA)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

i) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

iv) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

v) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

vi) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KEIN HING INTERNATIONAL BERHAD

(REGISTRATION NO. 200301013636 (616056-T)) (INCORPORATED IN MALAYSIA)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors are disclosed in Note 5 to the financial statements.

Other Matter

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

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

Florence Chua Lei Choon
Approval Number: 03347/01/2028 J
Chartered Accountant

Petaling Jaya

Date: 18 August 2026

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	
Total Income	**Remarks**	**2026 (RM)**	**2025 (RM)**
Revenue		**304,189,359**	327,932,464
Other income		**1,763,947**	2,607,925
Finance income		**1,077,324**	1,333,164
Total		**307,030,630**	331,873,553
Total Assets		**285,002,598**	291,091,103

(B) Business Activities

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2026 (RM)**	**2025 (RM)**
Interest income	Conventional	**1,077,324**	1,333,164
Total		**1,077,324**	1,333,164

(C) Component of Financial Position

(i) Cash Component

		Group	
Islamic Account/Instruments	**Remarks**	**2026 (RM)**	**2025 (RM)**
Cash at bank (exclude cash in hand)		**N/A**	N/A
Cash in hand		**N/A**	N/A
Total		**N/A**	N/A

		Group	
Conventional Account/Instruments	**Remarks**	**2026 (RM)**	**2025 (RM)**
Cash at bank (exclude cash in hand)		**51,965,737**	54,411,798
Deposits with licensed bank		**25,252,028**	23,598,989
Short-term deposits		**2,200,770**	2,149,424
Other cash equivalents	Cash held on hand	**84,860**	59,813
Total		**79,503,395**	80,220,024

DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

(C) Component of Financial Position (continued)

(ii) Debt Component

Islamic Financing	Remarks	Group 2026 (RM)	Group 2025 (RM)
Current		**N/A**	N/A
Non-Current		**N/A**	N/A
Total		**N/A**	N/A

Conventional Borrowing	Remarks	Group 2026 (RM)	Group 2025 (RM)
Current			
Terms loans		**3,248,916**	4,231,902
Banker's acceptances		**2,131,337**	3,184,109
Bill payables		**16,959,025**	16,004,583
Hire purchase payables		**2,041,388**	2,467,070
Non-Current			
Terms loans		**9,827,754**	14,130,724
Hire purchase payables		**835,659**	1,329,418
Total		**35,044,079**	41,347,806

LIST OF PROPERTIES

AS AT 30 APRIL 2026

Location	Registered/ Beneficial Owner	Existing Use/ Description of Property	Tenure/Expiry Date	Age of Buildings years	Land Area/ Built-up Area sq. m.	Date of Last Revaluation/ Acquisition	Net Book Value RM
Lot 2121 Jalan Maktab Off Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Residential; Single-storey bungalow house	Freehold	43	488/ 226	1-12-2004	275,063
Lot 1863 and 1864 Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/Industrial; Single-storey factory with a 3-storey office and factory annexe	Freehold	29	7,891/ 7,900	18-2-2004 (Revalued)	7,711,899
Lot 44, Jalan 6/2 Kawasan Perusahaan Seri Kembangan 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/Industrial; Single-storey semi-detached factory with a 2-storey office annexe	Leasehold expiring on 7-11-2099	30	988/ 795	18-2-2004 (Revalued)	511,922
Lot 33, Jalan 6/2, Kawasan Perusahaan Seri Kembangan 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/Industrial; Single-storey factory with 2½-storey office annexe	Leasehold expiring on 10-1-2089	25	4,086/ 2,123	18-2-2004 (Revalued)	2,523,372
Lot 1866 and 1867 Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Factory/Industrial; 3-storey factory with 4-storey office cum car park block	Freehold	22	8,255/ 8,179	1-12-2004	9,168,298
Lot 7896, Tempat Batu 5 Jalan Kuala Lumpur Mukim Bentong Daerah Bentong Pahang Darul Makmur	KHI	Agriculture; Fruit orchard and vacant land	Freehold	N/A	3.4171 Hectares	8-1-2003	236,425
S153, Off Jalan Raya 5 Jalan 3/1, Serdang Jaya 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Residential; Single-storey wooden house	Leasehold expiring on 28-10-2046	41	297.6/ 250	25-2-2003	99,352
Lot 1840 Jalan Kolej 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Warehouse/ Industrial; Single-storey warehouse cum car park block	Freehold	18	4,300/ 1,230	1-7-2008	1,166,963
Lot 5038 Jalan Perindustrian HP4 HICOM Pegoh Industrial Park Pegoh 78000 Alor Gajah Melaka	KHI	Investment property (Factory/ Industrial); Single-storey factory with a 2-storey office annexe	Freehold	11	16,776/ 5,290	21-6-2011	8,730,306

LIST OF PROPERTIES

AS AT 30 APRIL 2026

Location	Registered/ Beneficial Owner	Existing Use/ Description of Property	Tenure/Expiry Date	Age of Buildings years	Land Area/ Built-up Area sq. m.	Date of Last Revaluation/ Acquisition	Net Book Value RM
Plot C3 Thang Long Industrial Park Thien Loc Commune Hanoi, Vietnam	KHMV	Factory/Industrial; Single-storey factory with a 2-storey office annexe	Leasehold expiring on 28-2-2047	22	15,693/ 12,190	1-11-2004	4,643,102
No. 109, Street No. 12 VSIP Hai Phong Dinh Vu-Cat Hai Economic Zone Hoa Binh Ward Hai Phong, Vietnam	KHMV	Factory/Industrial; Single-storey factory with a 3-storey office and warehouse annexe	Leasehold expiring on 7-6-2058	11	16,300/ 11,483	31-7-2012	14,736,664
Plot No. CN8-2 Diem Thuy Industrial Park Diem Thuy Commune Thai Nguyen, Vietnam	KHTV	Factory/Industrial; 3-storey factory	Leasehold expiring on 5-12-2064	9	17,900/ 9,510	6-2-2015	11,264,186
Plot No. Y6-B Thang Long Industrial Park II Duong Hao Ward Hung Yen, Vietnam	KHMH	Industrial; Vacant land	Leasehold expiring on 16-11-2056	-	12,000	11-2-2025	6,198,402
No. 20, Jalan Wisdom 8 Taman Perindustrian Wisdom 42600 Jenjarom Kuala Langat Selangor Darul Ehsan	KHIB	Investment property under construction (Industrial); Semi-detached factory with office	Freehold	-	2,181/ 1,413	13-9-2024	3,493,637
Plot 41, Phase 2C Jalan Hicom Pegoh 11 HICOM Pegoh Industrial Park Pegoh, 78000 Alor Gajah Melaka	KHIB	Investment property (Industrial); Vacant land	Freehold	-	13,142	4-10-2024	5,611,568
No. 10A, Jalan Kolej Taman Jinma 43300 Seri Kembangan Selangor Darul Ehsan	KHI	Residential; Single-storey house	Freehold	-	222/ 82	13-9-2024	335,000

ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2026

Total number of issued shares	: 108,899,996
Class of share	: Ordinary share
Voting rights	: One (1) vote per ordinary share
Number of shareholders	: 1,529

ANALYSIS BY SIZE OF SHAREHOLDINGS

Size of Holdings	No. of Shareholders	No. of Shares	Percentage (%)
1 – 99	128	2,800	0.00
100 – 1,000	408	180,567	0.17
1,001 – 10,000	627	2,388,162	2.19
10,001 – 100,000	308	9,056,008	8.32
100,001 – 5,444,998 (*)	55	21,636,000	19.87
5,444,999 and above (**)	3	75,636,459	69.45
Total	**1,529**	**108,899,996**	**100.00**

Remark: * Less than 5% of the total number of issued shares
** 5% and above of the total number of issued shares

DIRECTORS' SHAREHOLDINGS AS PER THE REGISTER OF DIRECTORS' SHAREHOLDINGS

	Direct Shareholdings		Indirect Shareholdings	
Directors	**No. of Shares**	**%**	**No. of Shares**	**%**
Yap Toon Choy	41,172,582	37.81	22,762,077[(a)]	20.90
Yong Elaine	22,762,077	20.90	41,172,582[(b)]	37.81
Darsan Singh A/L Balwant Singh	-	-	-	-
Khor Yew Chye	-	-	-	-
Jancy Oh Suan Tin	-	-	-	-
Low Khoon Boon	-	-	-	-
Gan Poh Chan	-	-	-	-

(a) Deemed interest by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Companies Act, 2016 (the "Act").

(b) Deemed interest by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.

ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2026

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

	Direct Shareholdings		Indirect Shareholdings	
Substantial shareholders	**No. of Shares**	**%**	**No. of Shares**	**%**
Yap Toon Choy	41,172,582	37.81	22,762,077[a]	20.90
Yong Elaine	22,762,077	20.90	41,172,582[b]	37.81
Kam Loong Mining Sdn. Bhd.	11,701,800	10.75	-	-
Yap Ah Fatt	22,000	0.02	12,911,800[c]	11.86
Foo Khen Ling	1,210,000	1.11	11,723,800[c]	10.77

(a) Deemed interest by virtue of him being the spouse of Yong Elaine, a major shareholder of KHIB pursuant to Section 197 of the Act.
(b) Deemed interest by virtue of her being the spouse of Yap Toon Choy, a major shareholder of KHIB pursuant to Section 197 of the Act.
(c) Deemed interest by virtue of his/her direct interest in Kam Loong Mining Sdn. Bhd. pursuant to Section 8(4)(b) and in each other interest by virtue of Section 197 of the Act.

LIST OF TOP THIRTY (30) SHAREHOLDERS

No.	Shareholders	No. of Shares	Percentage %
1.	Yap Toon Choy	41,172,582	37.81
2.	Yong Elaine	22,762,077	20.90
3.	Kam Loong Mining Sdn. Bhd.	11,701,800	10.75
4.	Maybank Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account For Koh Pee Boon*	2,386,800	2.19
5.	Ooi Chin Hock	2,159,940	1.98
6.	Shum Thin Soon	1,960,000	1.80
7.	Foo Khen Ling	1,210,000	1.11
8.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. *- Pledged Securities Account For Teh Swee Heng (MM1118)*	950,000	0.87
9.	Swee Soo Mang	750,000	0.69
10.	Ghan Ah Kooi	583,130	0.54
11.	Teh Bee Gaik	542,000	0.50
12.	Yee Tien Soon	504,010	0.46
13.	Tan Lee Kiew	501,000	0.46
14.	Koay Choon Chin	500,000	0.46
15.	Tan Wei Yen	500,000	0.46
16.	Yap Wern Yian	500,000	0.46
17.	Ana Low	407,550	0.37
18.	HLB Nominees (Tempatan) Sdn. Bhd. *- Pledged Securities Account For Lim Hang Kok*	375,100	0.34
19.	Cartaban Nominees (Asing) Sdn. Bhd. *The Bank Of New York Mellon For Acadian Emerging Markets Micro-Cap Equity Master Fund*	374,700	0.34
20.	Gan Siew Kee	304,480	0.28

ANALYSIS OF SHAREHOLDINGS

AS AT 31 JULY 2026

LIST OF TOP THIRTY (30) SHAREHOLDERS (CONTINUED)

No.	Shareholders	No. of Shares	Percentage %
21.	Khoo Kay Thuan	300,000	0.28
22.	Moomoo Nominees (Tempatan) Sdn. Bhd. - *Pledged Securities Account For Ng Ying Pei*	300,000	0.28
23.	Ten Kim Thai	300,000	0.28
24.	CGS International Nominees Malaysia (Tempatan) Sdn. Bhd. - *Pledged Securities Account For Ng Geok Wah (BBrklang-Cl)*	288,750	0.27
25.	HLB Nominees (Tempatan) Sdn. Bhd. - *Pledged Securities Account For Loo Seng Hock*	260,500	0.24
26.	Cheng Lee Wei	260,400	0.24
27.	Moomoo Nominees (Tempatan) Sdn. Bhd. - *Pledged Securities Account For Khoh Soh Inn*	260,000	0.24
28.	Lim Zi Yang	242,500	0.22
29.	Ang Seng Long	240,000	0.22
30.	Yap Siew Lee	231,000	0.21

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Third Annual General Meeting of the Company will be held at the Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia on Thursday, 15 October 2026 at 10.00 a.m. for the following purposes:-

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 30 April 2026 together with the Directors' and Independent Auditors' Reports thereon. — **Please refer to Note B on this Agenda**

2. To approve the Aggregate Directors' fees and benefits of an amount not exceeding RM330,000 from 16 October 2026 until the Twenty-Fourth Annual General Meeting of the Company. — **RESOLUTION 1**

3. To approve a First and Final Single-Tier Dividend of 2.5 sen per ordinary share for the financial year ended 30 April 2026. — **RESOLUTION 2**

4. To re-elect the following Directors who are retiring in accordance with Clause 92 of the Company's Constitution:-

   (a) Mr. Low Khoon Boon — **RESOLUTION 3**

   (b) Mr. Gan Poh Chan — **RESOLUTION 4**

5. To re-elect Mr. Darsan Singh A/L Balwant Singh who is retiring in accordance with Clause 97 of the Company's Constitution. — **RESOLUTION 5**

6. To re-appoint Messrs. KPMG PLT, the retiring Auditors of the Company and to authorise the Board of Directors to fix their remuneration. — **RESOLUTION 6**

7. **SPECIAL BUSINESS:-**

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

   (a) AUTHORITY TO DIRECTORS TO ALLOT AND ISSUE SHARES — **RESOLUTION 7**

   "**THAT** pursuant to Sections 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the Twenty-Fourth Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares to be issued does not exceed 10% of the Issued Shares of the Company for the time being, subject always to the approvals of the relevant regulatory authorities."

   AND THAT the Directors be and are also authorised to obtain the approval for the listing of and quotation for the additional shares issued pursuant to the mandate above on Bursa Malaysia Securities Berhad.

   AND FURTHER THAT the above authority/approval shall commence upon the passing of Resolution 7 and will continue to be in force until the conclusion of the next Annual General Meeting of the Company."

NOTICE OF ANNUAL GENERAL MEETING

(b) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH T.C. YAP HOLDINGS SDN. BHD. AND MR. YAP TOON CHOY **RESOLUTION 8**

"**THAT** approval be and is hereby given to the Kein Hing International Berhad ("KHIB") Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with T.C. Yap Holdings Sdn. Bhd. and Mr. Yap Toon Choy, the Group Managing Director and Major Shareholder of KHIB as stated in section 2.3.3 of the Circular to shareholders of the Company dated 28 August 2026, being necessary for the day-to-day operations of the KHIB Group, subject to the following:-

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and is not to the detriment of the minority shareholders and that such transactions are made on an arm's length basis and on normal commercial terms; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate during the financial year; and

(iii) the authority given shall continue to be in force until:-

(a) the conclusion of the Twenty-Fourth Annual General Meeting ("AGM") of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Fourth AGM, the authority is renewed; or

(b) the expiration of the period within which the Twenty-Fourth AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

(c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts, deeds and things necessary to give effect to the transactions contemplated or authorised by this resolution."

(c) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE WITH KAM LOONG MINING SDN. BHD. **RESOLUTION 9**

"**THAT** approval be and is hereby given to the KHIB Group to enter into and give effect to the recurrent related party transactions of a revenue or trading nature with Kam Loong Mining Sdn. Bhd., a Major Shareholder of KHIB as stated in section 2.3.3 of the Circular to Shareholders of the Company dated 28 August 2026, being necessary for the day-to-day operations of the KHIB Group, subject to the following:-

(i) the transactions are in the ordinary course of business and are on terms not more favourable to the related parties than those generally available to the public and is not to the detriment of the minority shareholders and that such transactions are made on an arm's length basis and on normal commercial terms; and

(ii) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to this shareholders' mandate during the financial year; and

(iii) the authority given shall continue to be in force until:-

(a) the conclusion of the Twenty-Fourth AGM of the Company, at which time it will lapse unless, by a resolution passed at the Twenty-Fourth AGM, the authority is renewed; or

(b) the expiration of the period within which the Twenty-Fourth AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

(c) it is revoked or varied by resolution passed by the shareholders in general meeting,

whichever is earlier.

THAT the Directors be and are hereby authorised to complete and do all such acts, deeds and things necessary to give effect to the transactions contemplated or authorised by this resolution."

(d) PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR SHARE BUY-BACK **RESOLUTION 10**

"**THAT** subject to the Companies Act, 2016, the Constitution of the Company, the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and all other prevailing laws, rules, regulations and orders issued and/or amended from time to time by the relevant regulatory authorities, the Company be and is hereby authorised to purchase and/or to hold up to ten percent (10%) of the issued Shares of the Company ("Proposed Share Buy-Back") as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors of the Company may deem fit and expedient in the best interest of the Company and an amount not exceeding the retained profits of the Company, be allocated by the Company for the Proposed Share Buy-Back. The retained profits of the Company are RM26,354,888 for the financial year ended 30 April 2026.

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to cancel such shares or retain such shares as the Treasury Shares or a combination of both. The Directors of the Company are further authorised to resell the Treasury Shares on Bursa Securities or distribute the Treasury Shares as dividends to the shareholders of the Company or subsequently cancel the Treasury Shares or any combination of the three.

AND FURTHER THAT the Directors of the Company be and are hereby authorised to carry out the Proposed Share Buy-Back immediately upon the passing of this resolution until:-

(a) the conclusion of the Twenty-Fourth AGM of the Company at which time the authority shall lapse, unless by ordinary resolution passed at the Twenty-Fourth AGM, the authority is renewed, either unconditionally or subject to conditions; or

(b) the expiration of the period within which the Twenty-Fourth AGM of the Company is required to be held pursuant to Section 340(2) of the Companies Act, 2016 (but shall not extend to such extension as may be allowed pursuant to Section 340(4) of the Companies Act, 2016); or

NOTICE OF ANNUAL GENERAL MEETING

(c) it is revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting,

whichever occur first but not so as to prejudice the completion of purchase(s) by the Company before the aforesaid expiry date and to take all steps as are necessary and/or to do all such acts and things as the Directors of the Company deem fit and expedient in the interest of the Company to give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, amendments and/or variations as may be imposed by the relevant authorities."

(e) AUTHORITY FOR MR. KHOR YEW CHYE TO CONTINUE IN OFFICE AS INDEPENDENT DIRECTOR **RESOLUTION 11**

"THAT authority be and is hereby given to Mr. Khor Yew Chye who has served as an Independent Director of the Company for a cumulative term of more than nine (9) years (i.e. since 17 March 2017), to continue to act as an Independent Director of the company until the conclusion of the Twenty-Fourth Annual General Meeting of the Company in accordance with the Malaysian Code on Corporate Governance 2021."

8. To transact any other business of the Company of which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

NOTICE OF DIVIDEND ENTITLEMENT

NOTICE IS HEREBY GIVEN THAT a First and Final Single-Tier Dividend of 2.5 sen per ordinary share in respect of the year ended 30 April 2026 amounting to RM2,722,500, if passed, shall be payable on 20 November 2026 to Depositors registered in the Record of Depositors at the close of business on 5 November 2026.

A Depositor shall qualify for entitlement only in respect of:-

(a) Shares transferred to the Depositor's Securities Account before 4.00 p.m. on 5 November 2026, in respect of ordinary transfers; and

(b) Shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By Order of the Board
KEIN HING INTERNATIONAL BERHAD

NG YIM KONG (MACS00305)
SSM Practicing Certificate No. 202008000309
Company Secretary

28 August 2026
Selangor Darul Ehsan

NOTICE OF ANNUAL GENERAL MEETING

<u>IMPORTANT NOTES</u>

A. Appointment of Proxy

1. *A proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either executed under seal or under the hand of two (2) authorised officers, one of whom shall be a director or attorney so authorised. A Proxy may but need not be a Member of the Company.*

2. *A Member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of Members of the Company. A Member may appoint more than one (1) but not exceeding two (2) proxies to participate, speak and vote at the same meeting, provided that he specifies the proportion of his shareholdings to be represented by each proxy.*

3. *A proxy who is the only proxy appointed by a Member shall be entitled to vote on a poll. Where a Member entitled to vote on a resolution has appointed more than one proxy, his/her proxies shall only be entitled to vote on poll and the appointment shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*

4. *Where a Member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") which holds ordinary Shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds.*

5. *Where a Member is an authorised nominee as defined under SICDA it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary Shares of the Company standing to the credit of the said Securities Account.*

6. *The Proxy Form shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the Member is a corporation, it must be executed under its common seal or by its duly authorised attorney or officer.*

7. *The appointment of proxy may be made in a hardcopy form or by electronic means as follows not less than forty-eight (48) hours before the time fixed for convening the Meeting or at any adjournment thereof.*

   (a) <u>In Hardcopy Form</u>
   The Form of Proxy must be deposited at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia.

   (b) <u>By Electronic Lodgement</u>
   The Form of Proxy can be electronically submitted to Tricor via Vistra Share Registry and IPO(my) portal ("the portal") at https://srmy.vistra.com.

   Kindly refer to Note C(1) below on the Administrative Guide – Electronic Lodgement of Form of Proxy.

8. *In respect of Deposited Securities, only Members whose names appear in the Record of Depositors on 8 October 2026 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the Twenty-Third Annual General Meeting.*

9. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.*

NOTICE OF ANNUAL GENERAL MEETING

B. *Explanatory Notes:*

(a) Audited Financial Statements

This agenda item is meant for discussion only as the provision of Sections 248 (2) and 340 (1) of the Companies Act, 2016 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

(b) Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act, 2016

The proposed Resolution 7 under Agenda 7 (a), if passed, will empower the Directors of the Company, from the date of the Twenty-Third Annual General Meeting, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the Issued Shares of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the Shareholders at the Twenty-Second Annual General Meeting held on 10 October 2025. The renewal of the general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring additional cost and time. The purpose of this general mandate is for possible fund raising exercises including but not limited to placement of shares for purpose of funding current and/or future investment or projects, working capital and/or acquisitions.

Up to the date of this Notice, the Company has not issued any shares pursuant to the mandate granted to the Directors at the Twenty-Second Annual General Meeting because there was no need for any fund raising activity for the purpose of investment, acquisition or working capital.

(c) Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature

The proposed Resolutions 8 and 9 under Agenda 7 (b) and (c), if passed, will allow the Company and its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with the related parties concerned provided that such transactions are in the ordinary course of business and undertaken at arm's length, on normal commercial terms of the Company and its subsidiaries which are not more favourable to the related parties than those generally available to the public and are not to the detriment of the minority shareholders ("Proposed Renewal of Shareholders' Mandate").

The Proposed Renewal of Shareholders' Mandate would eliminate the need to convene separate general meetings from time to time to seek shareholders' approval as and when potential recurrent related party transactions arise, thereby reducing substantially administrative time and expenses in convening such meetings, without compromising the corporate objectives and without adversely affecting the business opportunities available to the Company and its subsidiaries.

Further information on the Proposed Renewal of Shareholders' Mandate is set out in the Circular to Shareholders dated 28 August 2026 of the Company which is despatched together with the Annual Report 2026 of the Company for the financial year ended 30 April 2026.

NOTICE OF ANNUAL GENERAL MEETING

(d) Proposed Renewal of Shareholders' Mandate for Share Buy-Back

The proposed Resolution 10 under Agenda 7 (d), if passed, will allow the Company to purchase and/or hold up to 10% of the total Issued Shares of the Company listed on Bursa Malaysia Securities Berhad. For further information on the Proposed Renewal of Shareholders' Mandate for Share Buy-Back, please refer to the Statement to Shareholders set out in Part B of the Circular to Shareholders dated 28 August 2026 which is despatched together with the Company's Annual Report 2026 for the financial year ended 30 April 2026.

(e) Re-appointment of Director

The proposed Resolution 11 under Agenda 7 (e), if passed, will authorise Mr. Khor Yew Chye to continue to act as an Independent Director of the Company pursuant to the Malaysian Code on Corporate Governance 2021. Mr. Khor Yew Chye has served as an Independent Director of the Company for a cumulative term of more than nine (9) years (i.e. since 17 March 2017) and has continued to satisfy the definition of "independent director" as set out in Chapter 1 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The Board based on the review and recommendation made by the Nominating Committee, considers Mr. Khor Yew Chye to be fit and proper and independent, and recommends that he should continue to act as an Independent Director of the Company subject to shareholders' approval through a two-tier voting process.

C. Administrative Guide:

(1) Electronic Lodgement of Form of Proxy

Procedure	**Action**
i. Steps for Individual Shareholders	
Register as a User at The Portal	1. Visit the website at https://srmy.vistra.com. 2. Click "Register" and select "Individual Holder" and complete the New User Registration Form. 3. For guidance, you may refer to the tutorial guide available on the homepage. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approved within one (1) working day. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *If you are an existing user with The Portal or our TIIH Online portal previously, you are not required to register again.*
Proceed with submission of proxy form	1. After the release of the Notice of Meeting by the Company, login with your email address and password. 2. Select the corporate event: "**KEIN HING INTERNATIONAL BERHAD 23RD AGM**". 3. Navigate to the 3 dots at the end of the corporate event and choose "**SUBMISSION OF PROXY FORM**". 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Indicate the total number of shares assigned to your proxy(s) to vote on your behalf. 6. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. 7. Indicate your voting instructions – FOR or AGAINST or ABSTAIN. 8. Print the proxy form for your record.

NOTICE OF ANNUAL GENERAL MEETING

ii. Steps for Corporation or Institutional Shareholders	
Register as a User at The Portal	1. Visit the website at https://srmy.vistra.com. 2. Click “Register” and select “Representative of Corporate Holder” and complete the New User Registration Form. 3. Complete the registration form with your personal details. 4. Once registration is completed, you will receive an email notification to verify your registered email address. 5. After verification, your registration will be reviewed and approval within two (2) working days. A confirmation email will be sent once approved. 6. Once you receive the confirmation, activate your account by creating your password. *Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact Tricor if you need clarifications on the user registration.*
Proceed with submission of proxy form	1. Login to https://srmy.vistra.com with your email address and password. 2. Select the corporate event: “**KEIN HING INTERNATIONAL BERHAD 23RD AGM**”. 3. Navigate to the icon “>” at the end of the corporate event. 4. Read and agree to the Terms and Conditions and confirm the Declaration. 5. Select the corporate holder’s name. 6. Proceed to download the submission file. 7. Prepare the file for the appointment of proxy(ies) by inserting the required data. 8. Proceed to upload the duly completed proxy appointment file. 9. Select “**Confirm**” to complete your submission. 10. Print the confirmation report of your submission for your record.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 64(5) of the Company’s Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 8 October 2026. Only a depositor whose name appears on the Record of Depositors as at 8 October 2026 shall be entitled to attend this meeting or appoint proxy/proxies to attend and/or vote in his/her stead.

Personal data privacy:

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

KEIN HING INTERNATIONAL BERHAD
[Registration No. 200301013636 (616056-T)]
(Incorporated in Malaysia)

FORM OF PROXY

I/We ______________________________________ (NRIC No./Passport No./Company No.) ________________________

of ____

being a member of **KEIN HING INTERNATIONAL BERHAD** hereby appoint:

Full Name (in Block) and as per NRIC/Passport	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

*and

Full Name (in Block) and as per NRIC/Passport	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the meeting as my/our Proxy(ies) to vote for me/us and act on my/our behalf at the Twenty-Third Annual General Meeting of the Company which will be held at the Rafflesia Ballroom, Palm Garden Hotel, IOI Resort City, 62502 Putrajaya, Malaysia on Thursday, 15 October 2026 at 10.00 a.m. and at any adjournment thereof for/against* the resolution(s) to be proposed thereat.

* My/Our Proxy(ies) is(are) to vote as indicated below:-

Resolutions	Agenda	For	Against
1.	To approve the Aggregate Directors' fees and benefits of an amount not exceeding RM330,000 from 16 October 2026 until the Twenty-Fourth Annual General Meeting.		
2.	To approve First and Final Single-Tier Dividend of 2.5 sen per ordinary share.		
3.	To re-elect Mr. Low Khoon Boon as Director.		
4.	To re-elect Mr. Gan Poh Chan as Director.		
5.	To re-elect Mr. Darsan Singh A/L Balwant Singh as Director.		
6.	To re-appoint Messrs. KPMG PLT as Auditors and to authorise the Board of Directors to fix their remuneration.		
7.	To authorise the Directors to allot and issue shares.		
8.	To approve the renewal of shareholders' mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature ("RRPT") with T.C. Yap Holdings Sdn. Bhd. and Mr. Yap Toon Choy.		
9.	To approve the renewal of shareholders' mandate for RRPT with Kam Loong Mining Sdn. Bhd..		
10.	To approve the renewal of shareholders' mandate for Share Buy-Back by the Company.		
11.	To authorise Mr. Khor Yew Chye to continue in office as Independent Director.		

** Delete if not applicable*

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given, the Proxy will vote or abstain at his(her) discretion].

Dated this __________ day of____________________2026

CDS Account No.:	
Number of shares held:	

____
(Signature/Common Seal of Member)

Fold this flap for sealing

Notes:-

A. Appointment of Proxy

1. *A proxy shall be in writing under the hand of the Member or of his attorney duly authorised in writing or, if the Member is a corporation, either executed under seal or under the hand of two (2) authorised officers, one of whom shall be a director or attorney so authorised. A Proxy may but need not be a Member of the Company.*

2. *A Member of the Company shall be entitled to appoint another person as his proxy to exercise all or any of his rights to attend, participate, speak and vote at a meeting of Members of the Company. A Member may appoint more than one (1) but not exceeding two (2) proxies to participate, speak and vote at the same meeting, provided that he specifies the proportion of his shareholdings to be represented by each proxy.*

3. *A proxy who is the only proxy appointed by a Member shall be entitled to vote on a poll. Where a Member entitled to vote on a resolution has appointed more than one proxy, his/her proxies shall only be entitled to vote on poll and the appointment shall not be valid unless he/she specifies the proportions of his/her holdings to be represented by each proxy.*

4. *Where a Member of the Company is an exempt authorised nominee as defined under the Securities Industry (Central Depositories) Act, 1991 ("SICDA") which holds ordinary Shares in the Company for multiple beneficial owners in one Securities Account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominees may appoint in respect of each omnibus account it holds.*

5. *Where a Member is an authorised nominee as defined under SICDA it may appoint at least one (1) proxy in respect of each Securities Account it holds with ordinary Shares of the Company standing to the credit of the said Securities Account.*

6. *The Proxy Form shall be signed by the appointor or his(her) attorney duly authorised in writing or, if the Member is a corporation, it must be executed under its common seal or by its duly authorised attorney or officer.*

7. *The appointment of proxy may be made in a hardcopy form or by electronic means as follows not less than forty-eight (48) hours before the time fixed for convening the Meeting or at any adjournment thereof.*

   (a) In Hardcopy Form
   The Form of Proxy must be deposited at the Registered Office of the Company at Lot 1863, Jalan Kolej, 43300 Seri Kembangan, Selangor Darul Ehsan, Malaysia.

   (b) By Electronic Lodgement
   The Form of Proxy can be electronically submitted to Tricor via Vistra Share Registry and IPO(my) portal ("the portal") at https://srmy.vistra.com.

   Kindly refer to Note C(1) on the Administrative Guide – Electronic Lodgement of Form of Proxy.

8. *In respect of Deposited Securities, only Members whose names appear in the Record of Depositors on 8 October 2026 (General Meeting Record of Depositors) shall be entitled to attend, speak and vote at the Twenty-Third Annual General Meeting.*

9. *Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice will be put to vote by way of poll.*

Then fold here

Stamp

KEIN HING INTERNATIONAL BERHAD
[Registration No. 200301013636 (616056-T)]

Lot 1863, Jalan Kolej
43300 Seri Kembangan
Selangor Darul Ehsan
Malaysia

1st fold here

KEIN HING INTERNATIONAL BERHAD
[Registration No. 200301013636 (616056-T)]

Lot 1863, Jalan Kolej,
43300 Seri Kembangan,
Selangor Darul Ehsan, Malaysia.

www.keinhing.com