



SIK CHEONG BERHAD

Registration No. 202301023959 (1517882-K)



ANNUAL REPORT

2025



POSITIONED **FOR GROWTH**

COVER RATIONALE

Our theme, "**Positioned for Growth**", reflects our strategic focus on expanding into untapped markets in Perak, Negeri Sembilan, Melaka, and Pahang, enabling us to reach new customers and enhance support for existing customers beyond our current core areas of Kuala Lumpur and Selangor. It also underscores our commitment to product diversification, with plans to introduce high oleic soybean oil to meet evolving market demands and offer healthier cooking options. These initiatives aim to build a solid foundation for sustainable and focused growth in the years ahead.



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SIK CHEONG AT A GLANCE

CORPORATE OVERVIEW

Sik Cheong Berhad (“Sik Cheong”) is principally engaged in the repackaging, marketing, and distribution of refined, bleached and deodorised (“RBD”) palm olein oil products. We serve both commercial and retail segments, with our customer base comprising retailers, wholesalers, restaurants, hotels, catering operators, and food manufacturers.

Our main production facility (“Factory No. 11”), located in Ampang, Selangor, is equipped with semi-automated and automated production lines, enabling us to operate efficiently and meet a wide range of customer requirements. In addition, we have a dedicated lamp oil labelling line for the labelling and storage of lamp oil products in Ampang, Selangor, which is situated in a shop lot near to Factory No. 11.

Our principal market is Malaysia, where the majority of our products are sold and distributed to customers in Kuala Lumpur and Selangor. We also serve customers in other states and federal territory, including Negeri Sembilan, Johor, the Federal Territory of Putrajaya, Pahang, Perak, Sarawak, Melaka, and Terengganu.

Sik Cheong was listed on the ACE Market of Bursa Malaysia Securities Berhad on 13 August 2024.



OUR VISION AND MISSION



VISION

To become the major RBD palm olein oil supplier in Malaysia, which is trusted nationwide.



MISSION

To provide a satisfactory experience to our customers by giving full commitment to product quality and customer service.

SIK CHEONG AT A GLANCE (CONT'D)

OUR PRODUCTS AND BRANDS

RBD Palm Olein Cooking Oil

Sawit Emas is a versatile cooking oil made from high-quality RBD palm olein. Cholesterol- and trans fat-free, it has been trusted for over 30 years as a healthier, practical choice for everyday cooking and deep frying.



Vitamas is a premium cooking oil made from high-grade, pure palm olein. Cholesterol- and trans fat-free, and rich in Vitamin E and antioxidants, it is an ideal choice for health-conscious consumers.

Unbranded Product is cooking oil supplied in intermediate bulk containers (IBC), primarily to licensed food manufacturers approved by the Malaysian Palm Oil Board (MPOB).



SIK CHEONG AT A GLANCE (CONT'D)

OUR PRODUCTS AND BRANDS

RBD Palm Olein Lamp Oil



Pingat Emas is a high-quality, smoke-free RBD palm olein lamp oil widely used in Malaysia for lighting wicks and oil lamps during religious and cultural ceremonies. Its clean-burning formula makes it suitable for both indoor and outdoor use, and it also helps repel disease-carrying insects, making it ideal for food premises.

QUALITY AND SAFETY STANDARDS



HALAL Certified



MeSTI Secure Food
Certification Scheme

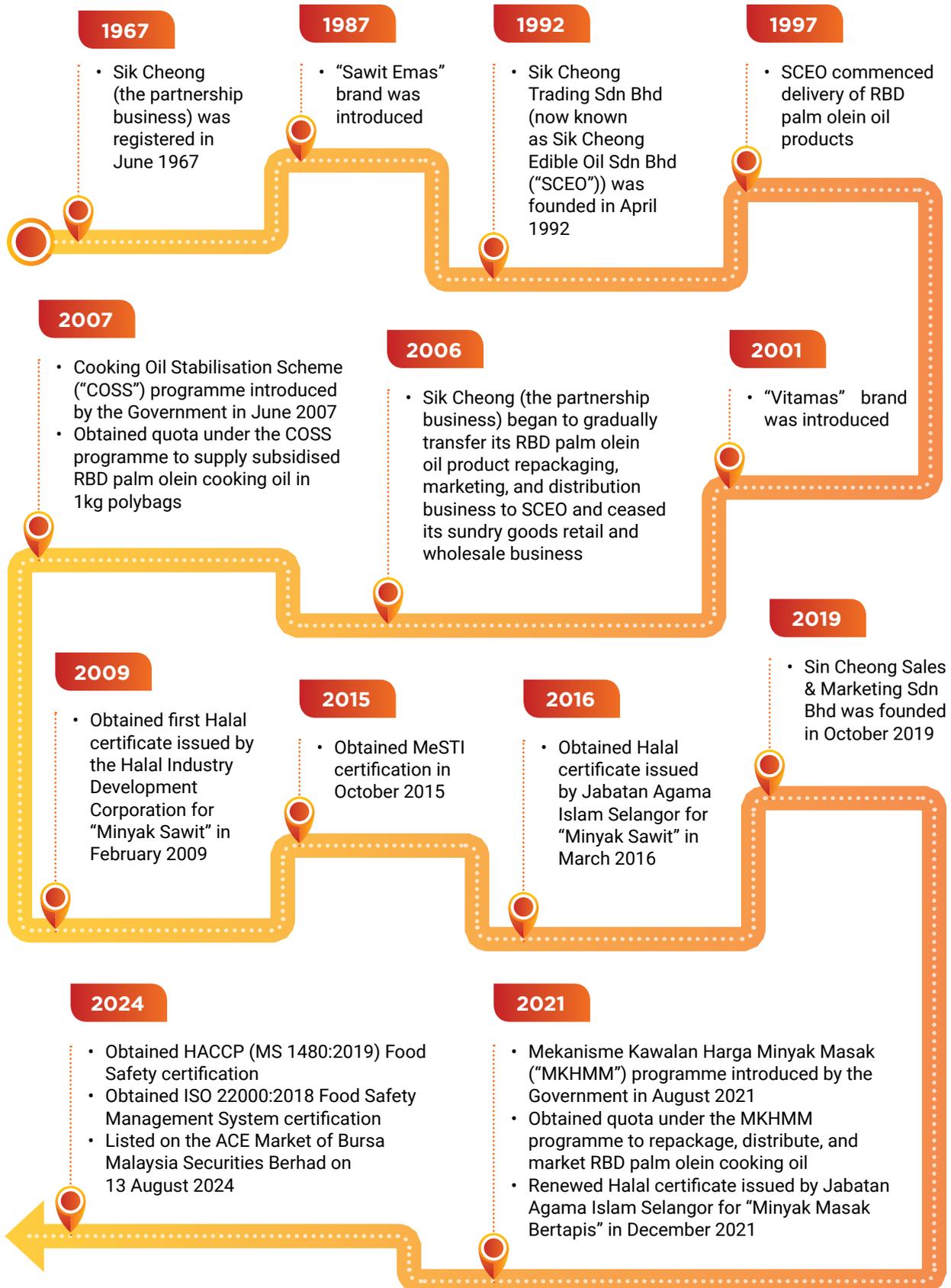


HACCP (MS 1480:2019)
Food Safety Certification



ISO 22000:2018 Food
Safety Management
Systems Certification

KEY MILESTONES



CORPORATE INFORMATION

BOARD OF DIRECTORS

Abdul Razak Bin Dato' Haji Ipap
Independent Non-Executive Chairman

Wong Hing Ngiap
Managing Director

Wong Hin Loong
Executive Director

Thong Kooi Pin
Independent Non-Executive Director

Keh Siew Hoon
Independent Non-Executive Director

Kok Yi Ling
Independent Non-Executive Director

Audit and Risk Management Committee

Chairman Thong Kooi Pin

Members Keh Siew Hoon
Kok Yi Ling

Nomination Committee

Chairperson Keh Siew Hoon

Members Thong Kooi Pin
Kok Yi Ling

Remuneration Committee

Chairperson Kok Yi Ling

Members Thong Kooi Pin
Keh Siew Hoon

Company Secretaries

Joanne Toh Joo Ann
(LS 0008574)
SSM PC No. 202008001119

Kooi Ee Lin
(MAICSA 7066158)
SSM PC No. 201908001822

Registered Office

Level 5, Guoco Tower
6, Jalan Damanlela
Damansara City, Bukit Damansara
50490 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel : (603) 7890 2833
Email : mysecretaryteam@incorp.asia

Head Office

No. 11, Jalan 6/14
Kampung Tasik Tambahan
68000 Ampang
Selangor Darul Ehsan
Tel : (603) 4292 1211
Email : info@sikcheong.com.my

Company Website

<https://www.sikcheong.com.my>

Share Registrar

**Tricor Investor & Issuing House
Services Sdn Bhd**
(197101000970 (11324-H))
Unit 32-01, Level 32, Tower A
Vertical Business Suite
Avenue 3, Bangsar South
No. 8, Jalan Kerinchi
59200 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel : (603) 2783 9299
Email : is.enquiry@vistra.com

Sponsor

TA Securities Holdings Berhad
(197301001467 (14948-M))
32nd Floor, Menara TA One
22, Jalan P. Ramlee
50250 Kuala Lumpur
Wilayah Persekutuan Kuala Lumpur
Tel : (603) 2072 1277

Auditors

Morison LC PLT
(LLP0032572-LCA & AF 002469)
Level 11-01, Uptown No. 3
Jalan SS 21/39, Damansara Utama
47400 Petaling Jaya
Selangor Darul Ehsan
Tel : (603) 7491 4419

Principal Banker

Public Bank Berhad

Stock Exchange Listing

ACE Market of Bursa Malaysia
Securities Berhad
Stock Name : SCB
Stock Code : 0316

CORPORATE STRUCTURE



SIK CHEONG BERHAD
(Registration No. 202301023959 (1517882-K))



5-YEAR FINANCIAL HIGHLIGHTS

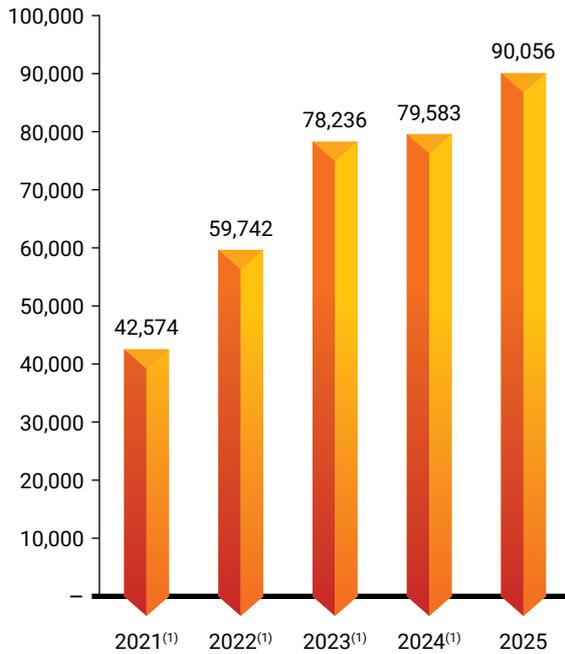
(RM'000)	2021 ⁽¹⁾	2022 ⁽¹⁾	2023 ⁽¹⁾	2024 ⁽¹⁾	2025
Revenue	42,574	59,742	78,236	79,583	90,056
Gross profit	5,432	7,991	11,985	12,731	11,355
Earnings before interest, taxes, depreciation and amortisation (EBITDA)	3,025	5,024	8,645	8,544	3,404
Profit before tax	2,417	4,261	8,005	7,938	2,420
Profit attributable to owners of the Company	1,852	3,263	6,029	6,329	1,089
Gross profit margin (%)	12.76	13.38	15.32	16.00	12.61
Basic and diluted earnings per share (sen) ⁽²⁾	0.70	1.23	2.27	2.38	0.41
Total assets	18,025	21,821	24,546	31,823	46,896
Total liabilities	1,312	1,866	4,582	5,530	2,827
Total equity	16,713	19,955	19,964	26,293	44,069
Current ratio (times)	16.24	11.80	4.76	3.30	11.33
Gearing ratio (times)	-	-	-	-	-

Notes:

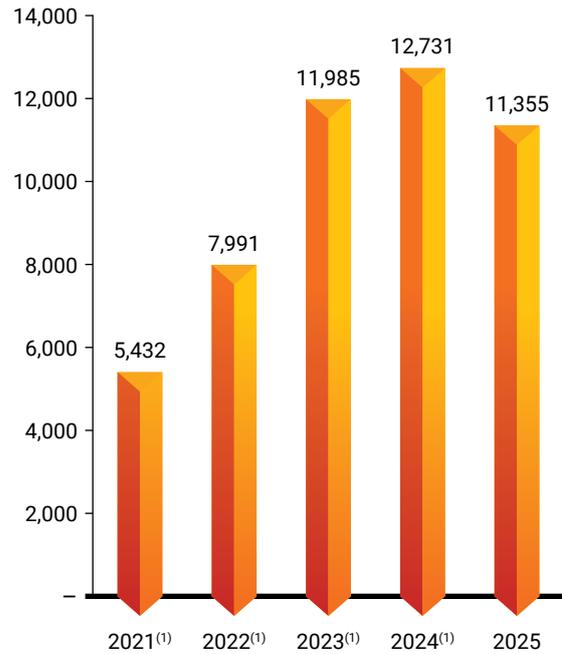
- (1) Sik Cheong Berhad was incorporated in Malaysia on 23 June 2023 and converted to a public limited company on 20 December 2023. On 20 May 2024, the Company completed the acquisition of the entire equity interest in Sik Cheong Edible Oil Sdn Bhd ("SCEO") and Sin Cheong Sales & Marketing Sdn Bhd ("SCSM"), which became its wholly owned subsidiaries. Accordingly, the financial information for the financial years ended 2021 to 2024 is presented as if the merger had been effected at the beginning of the earliest comparative period presented.
- (2) Computed based on the profit attributable to owners of the Company and the enlarged issued share capital of 266,000,000 ordinary shares as at 31 March 2025.

5-YEAR FINANCIAL HIGHLIGHTS (CONT'D)

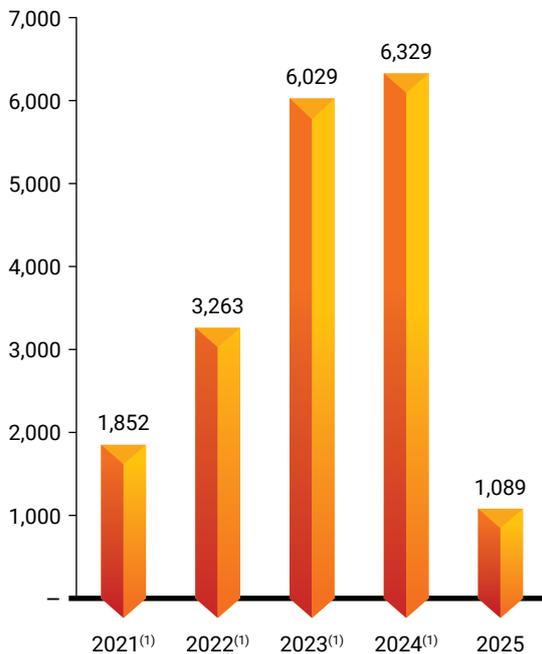
REVENUE (RM'000)



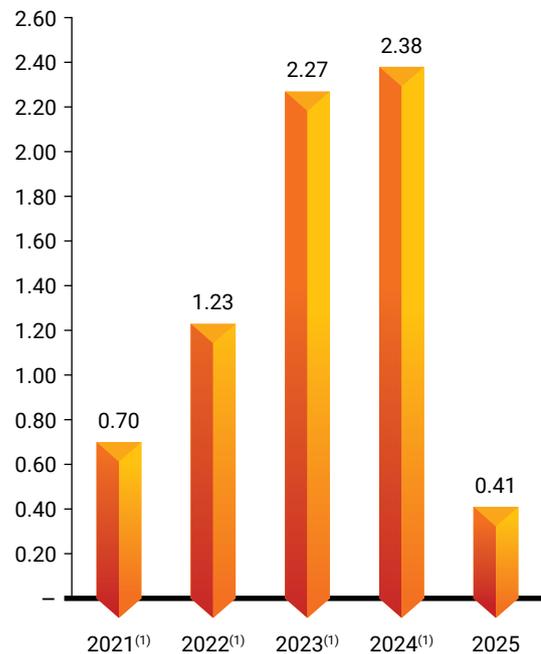
GROSS PROFIT (RM'000)



PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY (RM'000)



BASIC AND DILUTED EARNINGS PER SHARE (sen)



CHAIRMAN'S MESSAGE

Dear Shareholders,

On behalf of the Board of Directors of Sik Cheong Berhad (“Sik Cheong” and together with its subsidiaries, the “Group”) (“Board”), I am pleased to present our inaugural annual report following the successful listing of Sik Cheong on the ACE Market of Bursa Malaysia Securities Berhad on 13 August 2024.

Our listing marked a significant milestone for the Group, strengthening our financial position and raising our corporate profile. This achievement has enhanced our visibility in the market and reinforced our standing in the industry. With the listing proceeds raised, we are well-positioned to pursue the next phase of strategic growth, broaden our market presence, and capitalise on new opportunities.

OUR FIRST FULL YEAR IN REVIEW

The financial year 2025 marked a pivotal year for Sik Cheong, as we laid the foundation for sustainable, long-term growth. A key development during the year was the commencement of rebuilding works for our new packaging facility, located within a three-storey factory unit adjacent to our main packaging facility in Ampang, Selangor. This new facility is primarily intended for the repackaging, marketing, and distribution of high oleic soybean oil as part of our strategy to broaden our product range. Construction began in August 2024 and is progressing smoothly, with operations targeted to commence in the second quarter of 2026.

In line with our expansion strategy, we have also invested in five new delivery trucks, enhancing our logistics capabilities and enabling more efficient, timely, and reliable deliveries. This investment also supports our planned expansion beyond our current distribution routes in Selangor and Kuala Lumpur to neighbouring states, including Perak, Negeri Sembilan, Melaka, and Pahang.

These initiatives demonstrate our commitment to strengthening operational capacity and expanding market reach, laying a solid foundation for sustainable growth.

FINANCIAL HIGHLIGHTS

In FY2025, the Group recorded revenue of approximately RM90.1 million, a 13.2% increase from approximately RM79.6 million in FY2024. This growth was primarily driven by higher sales of non-subsidised refined, bleached, and deodorised (“RBD”) palm olein oil products, particularly our renowned “Sawit Emas” brand, supported by sustained demand and repeat orders from long-standing customers.

Despite higher revenue, gross profit declined by 10.8% from approximately RM12.7 million in FY2024 to approximately RM11.4 million in FY2025, with the gross profit margin narrowing from 16.0% to 12.6% due to rising raw material and packing costs. The Group’s profitability was further impacted by lower other operating income, higher selling and distribution costs, and increased administrative expenses, which included one-off listing expenses of approximately RM2.3 million.

Consequently, profit after tax declined 82.8% to approximately RM1.1 million. Excluding the one-off listing expenses, the Group would have recorded a profit after tax of approximately RM3.3 million, compared to approximately RM6.3 million in the previous financial year.

CHAIRMAN'S MESSAGE (CONT'D)

CORPORATE GOVERNANCE

At Sik Cheong, we recognise that strong corporate governance is vital to building a sustainable and trusted business. Our Board and management remain committed to upholding high standards of integrity, accountability, and transparency. We continue to strengthen our governance framework in alignment with regulatory requirements and best practices, ensuring responsible decision-making and reinforcing stakeholder trust.

COMMITMENT TO SUSTAINABILITY

Building on this foundation of sound governance, we remain steadfast in our commitment to sustainability. As we grow and expand, we strive to operate responsibly by contributing to society, reducing our environmental footprint, and building a sustainable business. Our approach includes adopting practices that minimise waste, conserve energy, and promote responsible repackaging and distribution. Sustainability will continue to guide our strategic planning and operational decisions as we pursue long-term value creation for all stakeholders.

MOVING AHEAD

Looking ahead, demand for RBD palm olein oil in Malaysia is expected to remain strong, underpinned by continued consumer consumption and rising demand from the hotel, restaurant, and catering sectors. We are cautiously optimistic that the industry's positive outlook, supported by our focused strategies, will drive the Group's expansion in the years to come.

To drive sales growth, we plan to expand our market presence by extending our reach to neighbouring states, including Perak, Negeri Sembilan, Melaka, and Pahang. This strategic move will enable us to tap into new customer segments while enhancing service to existing customers operating in these regions. By broadening our geographic footprint, we aim to capture a larger customer base and increase our market share, supporting our long-term growth objectives.

Capitalising on the growing market potential for soybean oil, we plan to expand our product range to include high oleic soybean oil, which offers a cost-effective and versatile solution for a variety of cooking applications. This strategic diversification will enable us to meet the growing demand for healthier cooking oils, provide the Group with new revenue streams, and further strengthen our competitive position within the industry.

Despite external challenges, including shifting trade policies, heightened tariff pressures, global uncertainties, and escalating geopolitical tensions, our Group remains resilient. Supported by a fully local supply chain and customer base, we are better insulated from global disruptions. To manage rising costs and increasing market competition, we will maintain discipline in controlling costs while strengthening operational efficiencies to support margin growth. We are committed to executing our strategic initiatives to drive sustainable growth and deliver long-term value for our shareholders.

APPRECIATION

On behalf of the Board, I would like to express my sincere appreciation to our management team and staff for their hard work, dedication, and commitment, which were instrumental to Sik Cheong's growth journey. I would also like to thank my fellow Board members for their invaluable guidance and insights throughout this pivotal stage of our corporate journey.

I also wish to extend my sincere gratitude to our shareholders, business partners, and customers for their confidence in Sik Cheong. With your continued support, we look forward to achieving new milestones and sharing more successes in the years ahead.

Abdul Razak Bin Dato' Haji Ipap
Independent Non-Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis provides an overview of the Group's operational and financial performance for the financial year ended 31 March 2025 ("FY2025"). It should be read in conjunction with the Audited Financial Statements of FY2025 and the accompanying notes for the same period.

BUSINESS OVERVIEW

The Group is primarily involved in the repackaging, marketing, and distribution of refined, bleached, and deodorised ("RBD") palm olein oil products.

Our core product is RBD palm olein cooking oil, marketed under our in-house brands "Sawit Emas" and "Vitamas", and also supplied as unbranded products. These products are distributed for both household and commercial use.

Our RBD palm olein cooking oil is distributed to three key customer segments:

- retailers, who sell directly to end consumers;
- wholesalers, who supply to hotels, restaurants, catering operators, food manufacturers, and retailers; and
- hotels, restaurants, catering operators, and food manufacturers, who use our products in their daily operations.

In addition, we market and distribute RBD palm olein lamp oil under our in-house brand "Pingat Emas". This product is widely used in oil lamps, primarily for religious, cultural, and festive purposes in Malaysia.

We also source and supply third-party branded products, such as margarine, in response to customer demand. These products are distributed across the retail, wholesale, hospitality, and food manufacturing sectors. Our current margarine offerings include the brands "Adela", "Pelangi", and "Bunga Emas".

The following diagram provides an overview of our Group's business model.

Business Activities	Products	Customer Segments	Market
Repackaging, marketing, and distribution of RBD palm olein oil products	<ul style="list-style-type: none"> • Cooking oil (subsidised and non-subsidised) • Lamp oil 	<ul style="list-style-type: none"> • Cooking oil <ul style="list-style-type: none"> - Retailers - Wholesalers - Hotel, restaurant, and catering operators - Food manufacturers • Lamp Oil <ul style="list-style-type: none"> - Retailers 	Malaysia
Trading of third-party products	<ul style="list-style-type: none"> • Complementary products (e.g. margarine) 	<ul style="list-style-type: none"> - Retailers - Wholesalers - Hotel, restaurant, and catering operators - Food manufacturers 	Malaysia

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OPERATIONAL REVIEW

During the financial year, we made steady progress in expanding our operational capacity and enhancing our delivery capabilities in support of our strategic growth objectives.

Expansion of Operational Capacity



Construction of our new packaging facility ("Factory No. 9") commenced in August 2024. Located adjacent to our existing main packaging operations ("Factory No. 11") in Ampang, Selangor, Factory No. 9 currently comprises a single-storey building and is being redeveloped into a three-storey facility with a total built-up area of approximately 18,041 square feet.

The new facility is intended mainly to support the repackaging, marketing, and distribution of high oleic soybean oil, in line with our strategy to diversify and expand our product range. The total investment for the redevelopment of Factory No. 9, including the purchase of machinery and equipment, is estimated at RM7.18 million and will be fully funded by proceeds from our initial public offering. Construction is progressing according to schedule, with operations targeted to commence in the second quarter of 2026.

Upon completion, Factory No. 9 will bring the total built-up area of our packaging operations (including the existing Factory No. 11) to approximately 38,525 square feet. Based on the intended machinery setup, Factory No. 9 is expected to deliver a repackaging capacity of 9,470 metric tonnes per annum.

Enhancement of Delivery Capabilities

Funded by proceeds from our initial public offering, we acquired five additional delivery trucks during the year to enhance our distribution capabilities. This investment is expected to improve delivery efficiency and service reliability, enabling more timely fulfilment of customer orders. It also supports our strategic aim of widening our geographic reach beyond Selangor and Kuala Lumpur to neighbouring states such as Perak, Negeri Sembilan, Melaka, and Pahang. These efforts are intended to strengthen our distribution network and better position the Group to serve a broader customer base in Peninsular Malaysia.

Looking ahead, the completion of Factory No. 9 and enhanced delivery capabilities are expected to position the Group for greater operational efficiency and broader market reach.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

PRINCIPAL MARKETS

The Group's revenue is entirely generated from the Malaysian market, with the majority of products sold to customers in Kuala Lumpur and Selangor. For FY2025, sales from Kuala Lumpur and Selangor accounted for 97.5% of the Group's total revenue. The remaining customer base is located in other states and federal territory, including Negeri Sembilan, Johor, the Federal Territory of Putrajaya, Pahang, Perak, Melaka, and Terengganu.

BUSINESS STRATEGIES AND FUTURE PLANS

Outlined below are the Group's key business strategies and plans for future growth:

Expansion of Product Range to Include High Oleic Soybean Oil

Building on our experience and established customer base in the edible oil sector, we plan to expand our product range to include high oleic soybean oil. This initiative is driven by increasing enquiries from food manufacturers and hotel operators seeking healthier edible oil alternatives.

According to the independent market research report on the RBD palm olein oil repackaging industry in Malaysia and overview of the soybean oil market in Malaysia by Providence Strategic Partners Sdn Bhd dated 1 July 2024, the soybean oil market in Malaysia is projected to grow at a compound annual growth rate ("CAGR") of 4.7% in sales volume, reaching 1.4 million litres in 2026. Over the period from 2024 to 2026, sales value is expected to grow at a CAGR of 3.8%, reaching RM16.8 million in 2026. Growth in demand for soybean oil is expected to be supported by its relatively lower price compared to other edible oils such as olive, sunflower, and rapeseed oil, making it an affordable option for households, hospitality operators, and food manufacturers. Its widespread availability, as one of the most produced oils globally and the third most produced vegetable oil in Malaysia after palm olein and palm kernel oil, combined with the country's growing population and expanding food and beverage industry, further reinforces its market potential.

The expansion into high oleic soybean oil is expected to contribute an additional income stream and reduce the Group's reliance on the RBD palm olein oil segment.

Expanding Geographical Reach to Drive Sales Growth

To support sales growth, we intend to expand our geographical reach to other states in Malaysia, specifically Perak, Negeri Sembilan, Melaka, and Pahang, due to their strategic proximity to our operations at Factory No. 11. This targeted expansion presents an opportunity to broaden our customer base beyond our current core markets of Kuala Lumpur and Selangor. To support this effort, we plan to implement promotional activities, strengthen our sales and logistics capabilities, and engage existing customers with operations in these states.

FINANCIAL REVIEW

Financial Performance

	FY2025 RM'000	FY2024 RM'000	Variance %
Revenue	90,056	79,583	13.2
Gross profit	11,355	12,731	(10.8)
Profit before tax	2,420	7,938	(69.5)
Profit after tax	1,089	6,329	(82.8)
Gross profit margin (%)	12.6	16.0	(3.4)

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FINANCIAL REVIEW (CONT'D)

Revenue

The Group's revenue increased by 13.2% from approximately RM79.6 million in the financial year ended 31 March 2024 ("FY2024") to approximately RM90.1 million in FY2025, primarily driven by higher sales of non-subsidised RBD palm olein oil products. This includes approximately RM65.5 million in sales of the Group's renowned "Sawit Emas" brand in FY2025. This growth was largely supported by repeat orders from existing customers, underscoring the Group's strong customer relationships and consistent service quality.

Gross Profit

Gross profit decreased by 10.8% from approximately RM12.7 million in FY2024 to approximately RM11.4 million in FY2025, mainly due to higher raw material and packing costs. The average purchase price of RBD palm olein oil increased from RM3.82 to RM4.69 per kg, while packing material costs rose in line with higher sales volume.

Although there was a marginal increase in average selling prices during the year, it was insufficient to fully offset rising input costs, primarily due to competitive pricing pressures in the market. As a result, the gross profit margin declined by 3.4 percentage points, from 16.0% in FY2024 to 12.6% in FY2025.

Profits and Income Tax Expense

Profit before tax declined by 69.5% from approximately RM7.9 million in FY2024 to approximately RM2.4 million in FY2025, mainly due to: (i) lower gross profit as stated above; (ii) a decrease of approximately RM0.4 million in other operating income, primarily arising from a lower gain from the disposal of fixed assets, which fell from approximately RM0.7 million in FY2024 to RM21,239 in FY2025; and (iii) an increase of approximately RM3.7 million in administrative expenses, mainly due to one-off listing expenses amounting to approximately RM2.3 million and higher staff costs of approximately RM1.1 million from new hires and salary increments.

Income tax expense decreased by 17.3% to approximately RM1.3 million in FY2025, primarily attributable to Sik Cheong Edible Oil Sdn Bhd, due to lower chargeable income resulting from the decline in profit before tax, which was mainly driven by the reasons stated above.

As a result, profit after tax decreased by 82.8% from approximately RM6.3 million in FY2024 to approximately RM1.1 million in FY2025. Excluding the one-off listing expenses incurred during the year, the Group would have recorded a profit after tax of approximately RM3.3 million in FY2025, compared to a profit after tax of approximately RM6.3 million in FY2024.

Financial Position

	As at 31 March 2025 RM'000	As at 31 March 2024 RM'000	Variance %
Total assets	46,896	31,823	47.4
- Non-current assets	17,128	14,665	16.8
- Current assets	29,768	17,158	73.5
Total liabilities	2,827	5,530	(48.9)
- Non-current liabilities	199	323	(38.3)
- Current liabilities	2,628	5,207	(49.5)
Total Equity	44,069	26,293	67.6
Current Ratio (times)	11.3	3.3	

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FINANCIAL REVIEW (CONT'D)

Total Assets

Non-current assets increased by 16.8% to approximately RM17.1 million, mainly due to an increase of approximately RM2.5 million in the Group's property, plant, and equipment. This was attributable to ongoing construction work in progress for Factory No. 9 amounting to approximately RM2.9 million, the purchase of a leasehold building to be used as a staff hostel of approximately RM0.2 million, and motor vehicles for operational use amounting to approximately RM0.3 million. This increase was partially offset by a decrease of approximately RM0.1 million in right-of-use assets following the early termination of a hostel lease contract, as well as depreciation charges of approximately RM0.9 million recorded during the year.

Current assets rose by 73.5% to approximately RM29.8 million, mainly due to: (i) an increase of approximately RM0.3 million in inventories due to higher raw material prices compared to the previous financial year; (ii) an increase of approximately RM1.3 million in trade receivables, largely attributable to higher sales made to customers toward the end of FY2025; and (iii) an increase of approximately RM13.0 million in cash and cash equivalents resulting from the proceeds raised from the initial public offering. This was partially offset by a decline of approximately RM1.9 million in other receivables, deposits and prepayments, mainly due to approximately RM1.3 million of prepayments in the prior year for initial public offering expenses, which were charged to the income statement and capitalised to share capital in the current year; as well as a lower level of outstanding subsidy claims compared to the previous year.

Total Liabilities

Non-current liabilities decreased by 38.3% to approximately RM0.2 million, primarily due to: (i) a reduction of approximately RM0.1 million in non-current lease liabilities following the termination of a lease contract for a hostel during the financial year; and (ii) a decrease of approximately RM0.1 million in deferred tax liabilities following the correction of tax treatment for an item of property, plant, and equipment.

Current liabilities declined by 49.5% to approximately RM2.6 million, mainly due to: (i) a decrease of approximately RM2.6 million in other payables, primarily due to the full repayment of approximately RM3.5 million owed to directors for the purchase of Factory No. 11 in the previous year, partially offset by the recognition of approximately RM0.7 million as a retention sum payable to a contractor for the construction of Factory No. 9, expected to be settled within the next 12 months; and (ii) a decrease of approximately RM0.1 million in tax liabilities, mainly attributable to Sik Cheong Edible Oil Sdn Bhd, due to lower chargeable income following the decline in profit before tax, primarily resulting from higher operating costs. The decrease was partially offset by an increase of approximately RM0.2 million in trade payables, in line with the increase in inventories.

Liquidity and Capital Resources

The Group's cash and cash equivalents increased from approximately RM6.8 million as at 31 March 2024 to approximately RM19.8 million as at 31 March 2025, primarily due to proceeds received from the initial public offering.

This increase was partially offset by:

- (i) capital expenditure of approximately RM6.9 million, comprising the repayment of approximately RM3.5 million owed to directors for the purchase of Factory No. 11 in the previous year, costs incurred on the ongoing construction work in progress for Factory No. 9 amounting to approximately RM2.9 million, the purchase of a leasehold building to be used as a staff hostel for approximately RM0.2 million, and motor vehicles for operational use amounting to approximately RM0.3 million; and
- (ii) share issuance expenses of approximately RM1.1 million related to the initial public offering.

As at 31 March 2025, the Group maintained a strong financial position, with cash and cash equivalents of approximately RM19.8 million and a current ratio of 11.3 times. Additionally, the Group had no bank borrowings as at the financial year end. This solid liquidity position, supported by proceeds from the initial public offering, provides the Group with financial flexibility to meet working capital requirements and pursue planned expansion.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

FINANCIAL REVIEW (CONT'D)

Utilisation of Initial Public Offering Proceeds

The Group raised gross proceeds of RM17.82 million from its initial public offering on 13 August 2024.

As at 30 June 2025, approximately RM14.71 million of the initial public offering proceeds had been utilised. The breakdown of the utilisation is set out below:

Details of utilisation of proceeds	Gross proceeds	Actual utilisation	Reallocation	Balance of initial public offering proceeds unutilised	Estimated timeframe for utilisation from the listing
	RM'000	RM'000	RM'000	RM'000	
Expansion of the packaging facility	7,180	(4,502)	–	2,678	Within 18 months
Purchase of new delivery trucks	890	(454)	–	436	Within 12 months
Working capital	5,950	(6,359)	409	–	Within 12 months
Estimated listing expenses	3,800	(3,391)	(409) ⁽¹⁾	–	Within 3 months
Total	17,820	(14,706)	–	3,114	

Note:

- (1) As the actual listing expenses were lower than the amount allocated, the excess has been reallocated to the Group's working capital.

DIVIDEND

Sik Cheong does not have a formal dividend policy. No dividend was declared for FY2025, which allows the Company to retain sufficient capital for ongoing capital investments and strategic initiatives to support sustainable growth and deliver long-term value to shareholders.

PRINCIPAL RISKS AND RISK MANAGEMENT

The Group is exposed to a range of risks that may affect its business operations, financial performance, and strategic objectives. The key risks and corresponding mitigating measures are summarised below.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

PRINCIPAL RISKS AND RISK MANAGEMENT (CONT'D)

Exposure to Price Volatility of Raw Materials

Our Group is exposed to price fluctuations in RBD palm olein oil products, which are closely linked to the prices of crude palm oil ("CPO"), our primary raw material. As a major global commodity, CPO prices are subject to volatility driven by factors such as global supply and demand dynamics, adverse weather conditions (including flooding and drought), macroeconomic conditions, inflationary pressures, and changes in relevant policies and regulations. Any significant increase in the price of RBD palm olein oil may lead to a corresponding rise in our cost of sales. Furthermore, we may not be able to fully pass on these increased costs to customers through higher selling prices, which could adversely affect our financial performance. To manage this risk, we closely monitor market trends and raw material costs, and may adjust our procurement strategies or selling prices, where feasible, to minimise the impact of price fluctuations on our margins.

Risk Relating to the Supply of RBD Palm Olein Oil

Our Group currently sources RBD palm olein oil from multiple suppliers in Malaysia. The consistent availability of this raw material in adequate quantities and at commercially acceptable prices is critical to sustaining our gross profit margins and fulfilling customer orders in a timely manner. Any disruption in supply or significant increase in procurement costs may adversely impact our business operations and financial performance. To manage this risk, we maintain relationships with multiple suppliers to reduce reliance on any single source. While this strategy provides a degree of flexibility, our ability to secure sufficient quantities at favourable prices remains subject to prevailing market conditions and the production capacity of our suppliers.

Licensing and Regulatory Compliance Risk

Our Group's business, which primarily involves the repackaging, marketing, and distribution of RBD palm olein oil products, is subject to licensing requirements under the Control of Supplies Regulations 1961 and the Malaysian Palm Oil Board (Licensing) Regulations 2005. Any delay or failure in obtaining or renewing these licences may result in operational disruptions and impact our ability to conduct business. To manage this risk, we have established a compliance monitoring system and assigned dedicated personnel to oversee licence renewals and regulatory requirements. We also maintain engagement with the relevant authorities to stay updated on regulatory developments.

Risk Relating to the Cooking Oil Stabilisation Scheme ("COSS") Allocation and Registration

Our Group currently holds a quota to supply up to 700 metric tonnes of subsidised RBD palm olein cooking oil per month under the COSS. The scheme has no specified expiry, and we may continue selling under the scheme for as long as it remains in effect. However, our financial performance may be impacted if our registration status is revoked, our allocated quota is reduced, or the COSS is discontinued. The Ministry of Domestic Trade and Cost of Living (KPDN), which administers the scheme, may implement such changes at any time and without prior notice. In the event of discontinuation of the COSS, we will continue to repack, market, and distribute non-subsidised RBD palm olein oil in polybags, with sales conducted at prevailing market prices.

Credit Risk

Our Group is exposed to credit risk arising from trade receivables, as we generally extend credit terms of 30 days from the invoice date to our customers. The varying creditworthiness of customers exposes the Group to the risk of non-payment or delayed payment, which may adversely affect our cash flows, financial position, and overall financial performance. To manage this risk, we have implemented credit risk management policies that include conducting background checks on new customers and imposing cash terms for initial transactions. Credit terms are granted only to existing customers with satisfactory payment history and good credit standing. We also regularly monitor and review trade receivables to identify and address potential credit risks promptly.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

OUTLOOK AND PROSPECTS

The Council of Palm Oil Producing Countries (“CPOPC”) is confident that the demand for palm oil and its products in 2025 will remain positive. CPOPC projects a positive growth in the production of palm in Indonesia, Malaysia, Honduras and Papua New Guinea as compared with production recorded in 2024. The growing demand of palm oil is attributed to, among others, increasing domestic demand of palm oil in Indonesia for the production of biodiesel, the need to replenish stocks in key importing countries such as China and India, as well as the tight supplies of other vegetable oils such as sunflower oil. The increase in domestic demand of palm oil in 2025 for the Indonesian’s B40 programme may not have a significant impact on the exportable supplies, taking into consideration the anticipated production recovery in Indonesia.

However, the high prices of palm oil projected in the first quarter of 2025 are expected to drive consumers to shift to soybean oil due to its price competitiveness, taking into consideration the positive growth in production of soybean from key producing countries such as Brazil and Argentina. The production of sunflower oil and rapeseed oil will not see a substantial increase in yield in 2025.

Notwithstanding the development of the vegetable oils industry, the uncertainties in political and economic situation globally including among others, the continued geopolitical tensions, uncertainties in trade policy resulting in tariff and non-tariff barriers, inflation as well as global economic growth will add to the complexity of the commodities markets, making the global markets to remain volatile in 2025. CPOPC is confident that the oil palm industry will continue to remain resilient with better performance in 2025, in particular, favourable prices and continued strong demand, despite the challenges faced by the oil palm industry. The strong fundamentals of the industry are expected to contribute to positive growth in demand from key importing countries and strengthening prices, in addition to the increasing domestic demand.

(Source: Annual Report Market & Outlook 2025, CPOPC)

Looking ahead, the outlook for the RBD palm olein oil repackaging industry in Malaysia remains favourable, supported by macroeconomic and sector-specific growth drivers. The industry recorded a robust CAGR of 40.6% between 2018 and 2023, and is projected to grow at a CAGR of 20.9% from 2024 to 2026, underpinned by the following structural trends:

- (i) sustained consumer demand driven by population growth, urbanisation, continued government subsidy programmes and initiatives, lower product prices, and ease of accessibility. The affordability and widespread availability of palm-based cooking oil further supports sustained consumer demand; and
- (ii) increasing demand from the hotel, restaurant, and catering sectors continues to drive demand for bulk-packaged cooking oil products.

(Source: Independent Market Research Report on the RBD palm olein oil repackaging industry in Malaysia and an overview of the soybean oil market in Malaysia, dated 1 July 2024, prepared by Providence Strategic Partners Sdn Bhd)

As an established player in the RBD palm olein oil repackaging segment, the Group is well-positioned to capitalise on the industry’s continued growth. We will continue to leverage our operational strengths and established market presence to capture opportunities arising from this promising outlook. While we remain optimistic, we will continue to closely monitor market developments and adjust our strategies accordingly to ensure sustainable and profitable growth.

PROFILE OF DIRECTORS

ABDUL RAZAK BIN DATO' HAJI IPAP

Independent Non-Executive Chairman

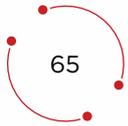
Nationality



En. Abdul Razak Bin Dato' Haji Ipap is the Independent Non-Executive Chairman of the Company and was appointed to the Board on 26 December 2023.

He graduated with a Bachelor of Science in Agribusiness from Universiti Pertanian Malaysia (now known as Universiti Putra Malaysia) in October 1988.

Aged



He is also a Non-Independent Non-Executive Director of UCrest Berhad, a company listed on the ACE Market of Bursa Securities. He is also a Director of Yayasan Al-Jenderami, a public company limited by guarantee. He also serves as a director in several private limited companies. Save as disclosed, he does not hold any directorships in other public companies and listed issuers.

Gender



With nearly 37 years of experience, he brings extensive expertise in business development, operations management, logistics, marketing, entrepreneurship and corporate governance across various sectors including infrastructure, logistics, telecommunications and information technology.

He has no family relationships with any other Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

He attended all five Board meetings held during the financial year ended 31 March 2025.

PROFILE OF DIRECTORS (CONT'D)

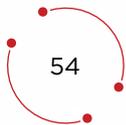
WONG HING NGIAP

Managing Director

Nationality



Aged



Gender



Mr Wong Hing Ngiap is one of the co-founders of the Group and Managing Director of the Company. He was appointed to the Board on 23 June 2023. He is responsible for overseeing the Group's strategic business planning and development. He also manages the Group's overall operations to ensure effective strategic resource planning and management.

He attended Sekolah Menengah Kebangsaan Hulu Kelang and obtained his Sijil Pelajaran Malaysia in 1989.

He began his career in January 1990 by joining his family business, Sik Cheong (the partnership business), which was involved in the retail and wholesale of sundry goods, including the wholesale of edible oils. He was responsible for managing the repackaging, marketing, and distribution of RBD palm olein oil products.

In April 1992, he co-founded Sik Cheong Trading Sdn Bhd (now known as Sik Cheong Edible Oil Sdn Bhd ("SCEO")) with Wong Hin Loong, which commenced delivery operations for RBD palm olein oil products in 1997 and subsequently took over the repackaging, marketing, and distribution operations of RBD palm olein oil from the partnership business in 2006. In October 2019, he co-founded Sin Cheong Sales & Marketing Sdn Bhd ("SCSM") with Wong Hin Loong to facilitate the distribution of lamp oil and the trading of third-party products.

Through these ventures, he brings decades of experience and has established a strong track record in business operations, product distribution, and strategic management in the edible oil sector.

In addition to his responsibilities within the Group, he serves as a director in several private limited companies. He does not hold any directorships in other public companies and listed issuers.

He is the brother of Wong Hin Loong, who is the Executive Director and a major shareholder of the Company, and the spouse of Choo Wai Yeen, who is a member of the Group's key senior management. He is also a director and shareholder of Thrive Carrier Sdn Bhd, a major shareholder of the Company. Save as disclosed, he has no family relationships with any other Directors, key senior management, and/or major shareholders of the Group.

Save for the related party transactions as set out in the Additional Compliance Information section of this Annual Report, he has not entered into any transaction, whether directly or indirectly, which has a conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries.

He has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

He attended all five Board meetings held during the financial year ended 31 March 2025.

PROFILE OF DIRECTORS (CONT'D)

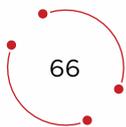
WONG HIN LOONG

Executive Director

Nationality



Aged



Gender



Mr Wong Hin Loong is one of the co-founders of the Group and Executive Director of the Company. He was appointed to the Board on 23 June 2023. He is responsible for overseeing the Group's supply chain management, including the identification and evaluation of suppliers, and the negotiation of supply contracts and pricing for RBD palm olein oil.

He attended Sekolah Menengah Jenis Kebangsaan Confucian from 1972 to 1973, during which he completed Form 2 of his secondary education.

He began his career in January 1974 by joining his family business, Sik Cheong (the partnership business), which was involved in the retail and wholesale of sundry goods, including the wholesale of edible oils. He was admitted as a partner in Sik Cheong (the partnership business) in December 1980, where he was primarily responsible for overseeing supply chain management.

In March 1984, he co-founded Sik Cheong Supermarket, a partnership business engaged in the retail and wholesale of sundry goods, where he oversaw supply chain management until its cessation in April 1989. In 1987, he commenced repackaging, marketing, and distributing RBD palm olein oil products through Sik Cheong (the partnership business).

In April 1992, he co-founded Sik Cheong Trading Sdn Bhd (now known as SCEO) with Wong Hing Ngiap, which commenced delivery operations for RBD palm olein oil products in 1997 and subsequently took over the repackaging, marketing, and distribution operations of RBD palm olein oil from the partnership business in 2006. In October 2019, he co-founded SCSM with Wong Hing Ngiap to facilitate the distribution of lamp oil and the trading of third-party products.

Through these ventures, he brings decades of experience and has established a strong track record in retail and wholesale trade, supply chain management, and the distribution of edible oil.

In addition to his responsibilities within the Group, he serves as a director in several private limited companies. He does not hold any directorships in other public companies and listed issuers.

He is the brother of Wong Hing Ngiap, who is the Managing Director and a major shareholder of the Company, and the brother-in-law of Choo Wai Yeen, who is a member of the Group's key senior management. He is also a director and shareholder of Thrive Carrier Sdn Bhd, a major shareholder of the Company. Save as disclosed, he has no family relationships with any other Directors, key senior management and/or major shareholders of the Group.

Save for the related party transactions as set out in the Additional Compliance Information section of this Annual Report, he has not entered into any transaction, whether directly or indirectly, which has a conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries.

He has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

He attended all five Board meetings held during the financial year ended 31 March 2025.

PROFILE OF DIRECTORS (CONT'D)

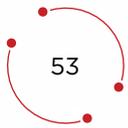
THONG KOOI PIN

Independent Non-Executive Director

Nationality



Aged



Gender



Mr Thong Kooi Pin is an Independent Non-Executive Director of the Company and was appointed to the Board on 26 December 2023. He is currently the Chairman of the Audit and Risk Management Committee and also a member of the Remuneration Committee and Nomination Committee.

He graduated with a professional degree in ACCA (Association of Chartered Certified Accountant) in 1998 and was admitted as a member of the Malaysian Institute of Accountants as Chartered Accountant in year 2000. He further obtained his Master's degree in Business Administration majoring in Finance from Universiti Putra Malaysia in year 2005.

He currently holds the position of Senior Financial Controller at Key ASIC Berhad, a company listed on the Main Market of Bursa Securities, where he oversees the group's financial accounts, treasury, and corporate finance functions.

With nearly 26 years of experience, he brings extensive expertise in financial management, financial planning and analysis, treasury operations, accounting and internal audit, particularly within the public listed company environment across various industries.

He also serves as a director in several private limited companies. He does not hold any directorships in other public companies and listed issuers.

He has no family relationships with any other Directors and/or major shareholders of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

He attended all five Board meetings held during the financial year ended 31 March 2025.

PROFILE OF DIRECTORS (CONT'D)

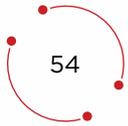
KEH SIEW HOON

Independent Non-Executive Director

Nationality



Aged



Gender



Ms Keh Siew Hoon is an Independent Non-Executive Director of the Company and was appointed to the Board on 26 December 2023. She is the Chairperson of the Nomination Committee and also a member of the Audit and Risk Management Committee and Remuneration Committee.

She graduated with a Bachelor of Laws from the University of Wales in July 1993. In April 1996, she received her Certificate in Legal Practice. In November 1998, she was called to the Malaysian Bar. In December 2008, she graduated with a Master of Business Administration from the International Islamic University Malaysia.

She currently serves as Partner at Messrs Kamarudin, Wee & Co. and is in charge of overseeing and managing the overall operations of the firm focusing on conveyancing, corporate, and commercial matters.

With nearly 27 years of experience, she brings extensive expertise in legal practice, corporate and commercial law, along with valuable insights into legal risk management and corporate governance.

She does not hold any directorships in other public companies and listed issuers.

She has no family relationships with any other Directors and/or major shareholders of the Company.

She has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

She has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

She attended all five Board meetings held during the financial year ended 31 March 2025.

PROFILE OF DIRECTORS (CONT'D)

KOK YI LING

Independent Non-Executive Director

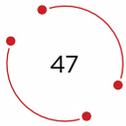
Nationality



Ms Kok Yi Ling is an Independent Non-Executive Director of the Company and was appointed to the Board on 26 December 2023. She is the Chairperson of the Remuneration Committee and also a member of the Audit and Risk Management Committee and the Nomination Committee.

She graduated with a Bachelor's degree in Accounting and Finance from the London School of Economics, United Kingdom, in July 2001.

Aged



She currently serves as an Executive Director of Bina Warehouse Sdn Bhd and is responsible for sales and operational matters as well as the growth of the company.

With nearly 22 years of experience, she brings extensive expertise in business development, sales and marketing strategy, retail operations, procurement, inventory management and financial oversight, particularly within the consumer goods and retail distribution sectors.

Gender



She does not hold any directorships in other public companies and listed issuers.

She has no family relationships with any other Directors and/or major shareholders of the Company.

She has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

She has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

She attended all five Board meetings held during the financial year ended 31 March 2025.

PROFILE OF KEY SENIOR MANAGEMENT

CHOO WAI YEEN

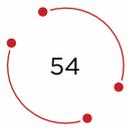
Chief Operating Officer

Nationality



Ms Choo Wai Yeen was appointed as the Chief Operating Officer of the Group on 1 August 2023. She is responsible for managing the Group's day-to-day operations, including procurement, repackaging, quality management, warehousing, and the delivery of RBD palm olein oil products. Prior to that, she held various positions in Sik Cheong Edible Oil Sdn Bhd ("SCEO") and Sin Cheong Sales & Marketing Sdn Bhd ("SCSM") since 2006 whereby she oversaw the day-to-day operations of both SCEO and SCSM. In August 2023, she was promoted to Chief Operating Officer of the Group.

Aged



She holds a Master of Business Administration from City University, Kuala Lumpur, obtained in 2024 under the Accreditation of Prior Experiential Learning (APEL) programme moderated by the Malaysian Qualifications Agency. She also holds a Diploma in Computer Studies from The National Centre for Information Technology, United Kingdom, completed in 1991 through Regent School of Economics (Stamford), Kuala Lumpur.

Gender



With nearly 35 years of experience, she brings extensive expertise in project planning, operational processes, business administration, quality management, and procurement, mainly in the repackaging of the RBD palm olein oil business.

She does not hold any directorships in public companies or listed corporations.

Ms Choo Wai Yeen is the spouse of Wong Hing Ngiap, who is the Managing Director and a major shareholder of the Company. She is also the sister-in-law of Wong Hin Loong, who is the Executive Director and a major shareholder of the Company, as well as the sister-in-law of Woi Chee Keong, who is a member of the Group's key senior management.

Save as disclosed above, she does not have any family relationship with any director and/or major shareholder of the Company.

She has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

She has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

KARTIKA HAZNI BINTI ISKANDAR

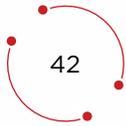
Financial Controller

Nationality



Ms Kartika Iskandar was appointed as the Financial Controller of the Group on 8 November 2024. She is responsible for overseeing the Group's finance and accounting functions and managing matters related to Environmental, Social, and Governance (ESG) compliance. On 12 August 2024, she joined SCEO as Group Finance Manager and was promoted to Financial Controller of the Group in November 2024.

Aged



She holds a Master of Science in International Accounting from Universiti Utara Malaysia in 2024 and a Bachelor of Accountancy from Universiti Putra Malaysia in 2006. She is a Chartered Accountant with the Malaysian Institute of Accountants and an Associate Member of Certified Practising Accountant (CPA) Australia.

Gender



With nearly 20 years of experience, she brings extensive experience in accounting, financial planning and management, payroll, Initial Exchange Offering (IEO) and audit across diverse industries, including healthcare, customer relationship management (CRM) software and services, and media.

She does not hold any directorships in public companies or listed corporations.

She has no family relationships with any other Directors, key senior management, and/or major shareholders of the Company.

She has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

She has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

PROFILE OF KEY SENIOR MANAGEMENT (CONT'D)

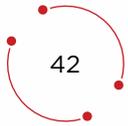
WOI CHEE KEONG

Head of Operations

Nationality



Aged



Gender



Mr Woi Chee Keong was appointed as the Head of Operations of the Group on 1 July 2024. He is responsible for overseeing the daily operations of the main packaging facility, including managing production planning, manpower scheduling, and monitoring operational costs. He joined SCEO in April 2022 as Safety and Operations Manager and was promoted to Factory Manager in April 2023, where he managed the production planning, supervised operations, quality, and health, safety and environment teams, coordinated delivery schedules, and ensured machinery and equipment maintenance and safety. In July 2024, he was promoted to Head of Operations of the Group.

He holds a Diploma in Electrical and Electronic Engineering from the Institute Teknologi Pertama in 2003.

With over 20 years of technical and operational experience, his expertise includes equipment installation and maintenance, team supervision, and daily operations management in production, quality, and safety, spanning the water filtration, beverage equipment, dental equipment, and RBD palm olein oil repackaging sectors.

He does not hold any directorships in public companies or listed corporations.

Mr Woi Chee Keong is the brother-in-law of Choo Wai Yeen, who is a member of the Group's key senior management and the spouse of Wong Hing Ngiap, who is the Managing Director and a major shareholder of the Company.

Save as disclosed above, he does not have any family relationship with any director and/or major shareholder of the Company.

He has no conflict of interest or potential conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries, other than that which has been disclosed to the Board of Directors (if any).

He has not been convicted of any offences (other than traffic offences) within the past five years and has not been subjected to any public sanctions or penalties imposed by the relevant regulatory bodies during the financial year.

SUSTAINABILITY STATEMENT

DEAR STAKEHOLDERS,

I am pleased to present the Sustainability Statement for Sik Cheong Berhad ("Sik Cheong" or the "Company") and its subsidiary companies (collectively referred to as the "Group") for the financial year ended 31 March 2025 ("FY2025") on behalf of the Board of Directors of Sik Cheong ("Board").

Our first year of being listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") is in the FY2025, and the Board reiterates how crucial it is that we include sustainability into our main business plan. As the Group moves forward on its sustainable path, this statement reflects its dedication to responsibility and openness.

The Group is dedicated to promoting ethical and sustainable business practices that create long-term benefits for all parties involved, including consumers, workers, shareholders, and the communities we serve. Environmental, Social, and Governance ("ESG") considerations are strategically overseen by the Board to make sure our sustainability initiatives are in line with our strategic objective and fundamental values.

We are pleased to report that our teams have shown a strong dedication to proactive ESG performance measuring and monitoring and the Board really appreciates this. We will establish specific, quantifiable objectives and goals after improving our data collecting and monitoring procedures in order to strengthen the Group's commitment to sustainability.

We would like to thank all our stakeholders, for your support and contributions, as they are integral to advancing our sustainability practices.

Mr Wong Hing Ngiap
Managing Director



SUSTAINABILITY STATEMENT (CONT'D)

ABOUT THIS STATEMENT

This statement provides an overview of the measures we have implemented in the FY2025, covering the activities of the Group and our initiatives on ESG related sustainability matters. In preparing this report, we are guided by the Sustainability Reporting Guide issued by Bursa Securities. We have also put into consideration key sustainability matters affecting direct and indirect stakeholders, which includes customers, employees, shareholders and investors, government authorities, and surrounding community. This report has been tabled to the Board on 16 July 2025. The Board has reviewed the contents of this report and acknowledges it to be a fair, balance and accurate representation of our ESG impacts.

OVERVIEW AND SCOPE OF SUSTAINABILITY AT SIK CHEONG

Sustainability is one of the strategic pillars for Sik Cheong and is integral to the Group's long-term business success. Our sustainability performance is considered fundamental to our business success and sustainability is in fact embedded in our day-to-day operations. Central to our approach is a strong emphasis on growing our business responsibly, taking into account our environment and social impact on the community and our employees.

The Sustainability Working Group was established on 15 October 2024 and has been tasked with determining the Group's sustainability strategy and provides an oversight of our corporate sustainability policies and performance. Senior Management oversees the implementation of the Group's sustainability approach and ensures that key targets are being met. The respective division's management heads are responsible for identifying, evaluating, monitoring and managing ESG risks and opportunities directly.

SUSTAINABILITY FRAMEWORK

This Statement has been prepared in accordance with the Listing Requirements with reference to Bursa Securities' Sustainability Reporting Guide for ACE Market Listed companies and International Financial Reporting Standards ("IFRS").

REPORTING SCOPE & BOUNDARIES

This statement covers the Group's primary operations in Malaysia. The boundary of this Statement is in the areas beyond financial reporting and includes non-financial performance, risks, opportunities and outcomes attributable to or associated with our key stakeholders.

ASSURANCE

This Sustainability Statement has not been subjected to an assurance process.

LIMITATIONS

While Sik Cheong has made all efforts to collect and present accurate, relevant and meaningful qualitative and quantitative data sourced from official company sources and records, we are cognizant of the existing gaps in data availability for certain indicators. We are currently working on a more comprehensive data gathering and tracking mechanism to enhance our reporting in future editions of the Annual Report.

SUSTAINABILITY STATEMENT (CONT'D)

SUSTAINABILITY GOVERNANCE

We have put in place a sustainability governance structure to ensure cohesive implementation of our sustainability strategies and initiatives across the Group. The Sustainability Working Group was formed to assist the Board in fulfilling its responsibilities outlined in the charter pertaining to sustainability considerations and related matters.



The roles of each team in the Sustainability Governance Structure as follows:

<p>Board of Directors</p>	<ul style="list-style-type: none"> • The Audit and Risk Management Committee (“ARMC”), which supports the Board, is in charge of evaluating sustainability reporting, monitoring regulatory compliance, and examining risks connected to sustainability. • Conduct the final review and approval on sustainability matters relating to the Group.
<p>Key Senior Management</p>	<ul style="list-style-type: none"> • The Key Senior Management consist of the Managing Director and Chief Operating Officer oversee the implementation of sustainability measures at Sik Cheong. • Drives and monitors the implementation of the Group’s sustainability strategies, direction and agenda. • Approves sustainability strategies and framework.
<p>Sustainability Working Group (“SWG”)</p>	<ul style="list-style-type: none"> • SWG comprising the head from each department including Finance, Operations, Human Resources and Business Development. • Evaluates overall sustainability risks and opportunities and develops the sustainability strategies with agenda for implementation. • Monitors implementation of sustainability programs to ensure compliance from all departments at operational level. • Resolves critical or major sustainability issues that may impact the Group. • Periodically reviews the progress of sustainability implementation and reports to the Key Senior Management. • Reports to the Key Senior Management of any unresolved critical sustainability issues.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY MATTERS AND STAKEHOLDER ENGAGEMENT

Material sustainability matters were identified to prioritise subjects that would be of utmost concern and have an impact on our stakeholders. The table below provides an overview of the key materiality matters to the Group and their groupings under the 3 main sustainability pillars, namely, ESG.

Pillar	Material Sustainability Matters
Environment	Waste Management
Social	Labour Practices and Standards
Governance	Business Ethics and Corporate Governance and Procurement Management

We are committed to engaging in constructive and meaningful dialogue with our stakeholders. Effective bilateral dialogue with our stakeholders helps us build trust, gain insights into the most pressing issues affecting our ESG matters, and allows us to share our perspective on key issues to help them understand the Group's journey more clearly. Throughout the course of the year, we have engaged with a diverse group of stakeholders comprising employees, customers, shareholders, suppliers, and government agencies. Their views on a wide range of topics have influenced our sustainability strategy in several key areas.

STAKEHOLDERS ENGAGEMENT

The table below presents salient issues of interest for each stakeholder group and our means of engagement with them during FY2025 to address those issues:

Stakeholder Group	Engagement Methodology	Addressing Their Interest
Customers	Customer evaluation form survey	Regular
	Agreement with customers	Regular
Vendors	Regular survey form to conform to our ISO standard and production capabilities	Annually
	Vendor relationship management	Regular
Governance & Regulators	Regulatory compliance	Ad-hoc
	Awareness on anti-bribery and corruption	Annually
	Director training program	Annually
Employees	Employee performance appraisal	Annually
	Supporting Employees' Physical and Mental Health Issues	Regular
	Training and Education	Regular

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY ASSESSMENT PROCESS

Sik Cheong's success relies on its capability to understand and respond to the dynamic sustainability landscape and related issues that may influence future strategic decisions. The Group continuously assesses its materiality matters to reflect the priorities of the Group and its stakeholders. In FY2025, Sik Cheong worked with an external organisation to refresh and reevaluate our ESG issues and materiality matters. The Group reviews its materiality matters in line with the current sustainability regulatory requirements, reporting expectations and industry developments. Sik Cheong is committed to providing accurate and objective information, as well as timely disclosure of material information pertaining to our sustainability performance to all stakeholders. The materiality assessment process overview are as follows:

IDENTIFICATION OF MATERIALITY MATTERS

Determine material sustainability matters based on their relevance to the business and stakeholders in addition to analysing global trends and peer's benchmark.

STAKEHOLDER ENGAGEMENT

Engage with both internal and external stakeholders via a survey to ranked identified materiality matters in terms of its importance to the business and stakeholders.

ANALYSIS OF INPUTS

Collate and analyse survey responses from stakeholders to understand their priorities pertaining to materiality matters.

MATRIX GENERATION

Generate a materiality matrix based on the responses, which visualises the relative importance of materiality matters.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIALITY ASSESSMENT PROCESS (CONT'D)

IDENTIFICATION OF SUSTAINABILITY MATTERS

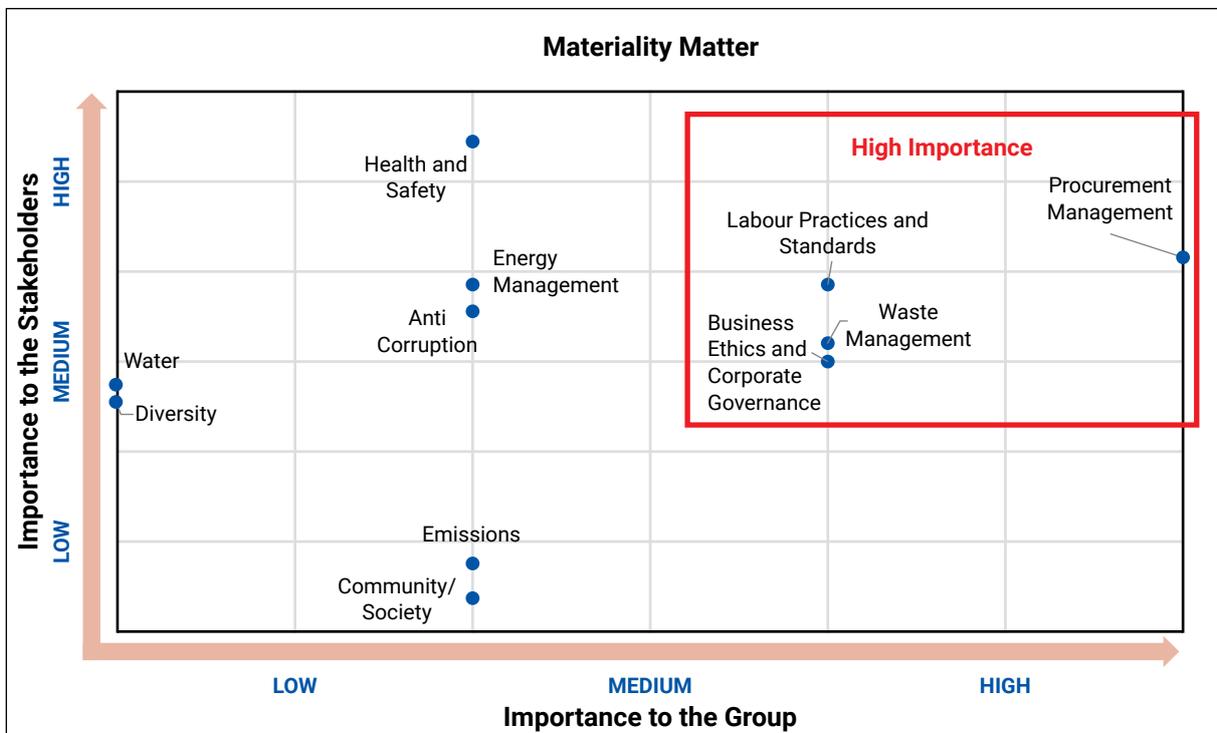
The process began with identifying the sustainability issues concerning Sik Cheong and its stakeholders. The Group identifies significant sustainability challenges by assessing the operational environment and developing trends in our business, as well as doing extensive research across several sources. The sources used include Bursa Securities' Sustainability Reporting Guide.

We reviewed materiality factors and sustainability to address current and future risks and opportunities in our markets. We also gathered stakeholder perspectives to ensure we meet their needs.

Our approach to monitoring, managing and reporting on various concerns involves focusing on the sustainability risk and opportunities connected with each materiality factors. By identifying our top priorities, we can optimize our time, resources and investment in addressing our sustainability risks and opportunities.

PRIOTISATION OF SUSTAINABILITY MATTERS (MATERIALITY ASSESSMENT)

The Group has identified key sustainability matters that impact its sustainability areas or significantly influence the assessment and decision of stakeholders. Pursuant to the stakeholders' engagement as mentioned above together with management reviews and assessments of the context, materiality assessment has been undertaken to identify and priorities sustainability matters affecting the Group's sustainability goals. Accordingly, the material sustainability matter to our Group are as illustrated in the diagram below:



SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY & RELEVANT ACTION PLAN

The following table set out the Group's identified material sustainability matters, identified via management reviews and assessments of the context and strategy with considerations to relevant stakeholders' requirements and expectations. These are critical internal and external risk and opportunities that are pertinent to our long-term growth and continual improvement.

Material sustainability issues	
Social responsibilities	Workforce hiring turnover and human rights factor inculcation within human resources development Labour practices and standards enforcement
Environmental stewardships	Effective waste materials management Operational efficiency
Governance	Business Ethics and Corporate Governance and Procurement Management

Material Sustainability & Relevant Action Plan

We periodically update the full list of sustainability matters and revise our prioritization annually based on our corporate strategy and external developments.

The Group is realizing key benefits from integrating sustainability in business by including:

Waste Management

Why It Matters

Recycling and reused plays a crucial role in our waste management strategy by reducing landfill waste, conserving natural resources, and minimizing the environmental impact of our operations. Through efficient recycling practices, we aim to recover valuable materials and reduce waste disposal costs.

Our Approach

Our operational processes generate non-scheduled (municipal) waste, primarily used carton boxes and plastic bags. To minimise environmental impact, we practise responsible waste management by segregating waste by type and sending recyclable materials to licensed recycling companies. To reduce packaging waste, we purchase used carton boxes from our customers at a lower cost compared to new ones. Boxes in good condition are reused in our repackaging processes, while those no longer usable are sold to licensed scrap collectors. This approach reduces landfill contribution, promotes circular resource use, and helps recover value from materials that would otherwise be discarded.

We also use semi-automated and automated packaging lines for repackaging refined, bleached and deodorised (RBD) palm olein oil into polybags, bottles, jerry cans and tin cans. These systems are equipped with sensors that automatically stop filling once the required level is reached, preventing overfilling and spillage while improving packaging efficiency and minimising material loss.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY & RELEVANT ACTION PLAN (CONT'D)

Waste Management (Cont'd)

Looking Ahead

We aim to further improve our waste management by increasing the reuse of materials and continuing to sell packaging that is no longer reusable to licensed scrap collectors. Regular reviews will be conducted to identify new opportunities for recycling, segregation, and waste reduction.

Operational Efficiency

Why It Matters

Efficient electricity usage reduces our reliance on non-renewable energy sources, cuts greenhouse gas emissions, and supports operational cost savings. Together, these practices contribute to a more sustainable and responsible business model.

Our Approach

Our approach to sustainability is guided by a strong commitment to operational efficiency, environmental responsibility, and long-term value creation. We continuously seek to integrate sustainable practices across our operations to reduce our environmental footprint while enhancing productivity and resilience.

As part of this commitment, we intend to invest in the installation of rooftop solar photovoltaic (PV) systems at Factory No. 9 over the next three financial years. This initiative reflects our strategic shift toward clean, renewable energy sources. By harnessing solar power, we aim to reduce our dependence on grid electricity, lower our greenhouse gas emissions, and create a more sustainable energy mix for our operations. The use of onsite solar energy also provides cost-saving opportunities over the long term and supports national and global efforts to accelerate the transition to a low-carbon economy.

Looking Ahead

We will continue to explore energy-efficient technologies and operational improvements that reduce electricity consumption across our facilities. This includes transitioning to energy-saving equipment, such as LED lighting and high-efficiency motors, and optimizing energy usage patterns. In line with our solar photovoltaic (PV) installation plans, we will closely monitor our energy performance and carbon reduction outcomes to assess further renewable energy opportunities. These efforts reflect our commitment to reducing emissions, lowering operational costs and contributing to a greener, more sustainable future.

Labour Practices and Standards

Why It Matters

We are dedicated to hiring and keeping top talent while fostering an atmosphere that is encouraging and empowering since we see our employees as our most significant resources and the main forces behind our success and expansion.

We promote a secure, moral, and encouraging work environment by maintaining fair employment practices and abiding with applicable labour regulations. Taking care of our employees' health, both local and foreign, boosts engagement, productivity, and the long-term viability of our Company.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY & RELEVANT ACTION PLAN (CONT'D)

Labour Practices and Standards (Cont'd)

Our Approach

We are committed to fair employment practices, strictly opposing human trafficking, child labour, and forced labour. Our policies align with Malaysia's labour laws and best practices, ensuring that all employees are treated with dignity and respect. For our foreign workers, we provide accommodation that meets statutory requirements such as Employees' Minimum Standards of Housing, Accommodations and Amenities Act 1990, ensuring a comfortable and safe living environment.

Maintain a safe and conducive workplace

To ensure the safety, health, and welfare of our employees, we strictly comply with the Occupational Safety and Health Act 1994 (OSHA 1994) and all relevant regulations enforced by the Department of Occupational Safety and Health (DOSH). In line with the Act, we are committed to preventing workplace accidents, injuries and illnesses through the implementation of structured and proactive safety measures.

These include conducting regular risk assessments, maintaining safe systems of work, and ensuring that machinery and equipment are properly maintained to prevent operational hazards. We also provide appropriate personal protective equipment (PPE) to employees, along with safety briefings and training to raise awareness of potential risks and ensure that all staff understand and follow workplace safety protocols.

Where applicable, we appoint Safety and Health Officers or competent personnel to monitor and enforce occupational safety and health practices. All incidents are documented and reported in accordance with statutory requirements. Through these measures, we strive to embed a strong safety culture throughout our operations.

Diversity and inclusion

Our Group is dedicated to fostering diversity and inclusion in our workplace. We are committed to ensuring that recruitment, employment, placement, training, development, as well as remuneration and advancement within our Group, are based solely on an individual's qualifications, job performance, and their skills and experience. This approach allows all employees, regardless of their backgrounds, to have equal opportunities and feel valued and supported within our Group.

Promoting personal development

We retain skilled employees and attract new talents through providing continuous training and rewarding employees with competitive remuneration packages. We set a minimum 8 hours of training per calendar year for each of our employees. By doing so, we believe that we are supporting our employees' professional development which would enhance their performance and productivity while increasing their value and future marketability such as:

a. Training and upskilling

We are committed to fostering professional growth by providing regular training and development programs designed to upskill our employees.

The Group strongly emphasis workplace growth and development. We provide a wide range of career development training to help our employees become more knowledgeable and skilled, especially in areas related to their jobs. This covers workshops, seminars, on-the-job training, and more on the topics such as Food Safety Training, Occupational Safety and Health Coordinator and Introduction to E-Invoice.

Our Employee Good Attendance Program also encourages employees to keep improving their abilities and productivity.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY & RELEVANT ACTION PLAN (CONT'D)

Labour Practices and Standards (Cont'd)

Promoting personal development (Cont'd)

b. Performance Appraisal

Every year, we conduct a thorough performance review process to encourage the growth of our organization's personnel. This procedure includes establishing specific goals, making individualised learning and development plans, and offering direction for each employee's career advancement. Employee performance determines their eligibility for bonuses, pay increases, and other perks, ensuring performance-based remuneration and preserving market competitiveness.

Looking Ahead

Our goal is to develop a workforce that is driven, purposeful, and flexible. We uphold our Group culture and key principles and in order to do this, we are expanding our recruitment channels to draw in and to retain people in order to fortify our talent pipeline. Our objective is to create a resilient organisation that is capable of overcoming obstacles and seizing opportunities.

The Group is dedicated to employee well-being and has introduced several enhanced health benefits to support their health and vitality.

We provide medical coverage to all confirmed full-time employees. To further promote general wellness, the Group incorporates short, simple exercises into weekly meetings—underscoring our commitment to fostering a healthier, more engaged workplace.

Business Ethics and Corporate Governance

Why It Matters

Upholding business ethics and sound corporate governance is critical to how we operate and engage with stakeholders. These principles form the foundation of our Anti-Bribery and Anti-Corruption Policy, Whistleblowing Policy, and Code of Conduct and Ethics. They guide us in fostering a culture of integrity, preventing misconduct, and maintaining transparency and accountability in our relationships with employees, customers, suppliers, and regulators. As a newly listed company, our commitment to strong governance also reinforces investor confidence and ensures compliance with regulatory standards such as the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act") and MCGG.

Our Approach

Anti-bribery and anti-corruption policy and guidelines are in compliance with the MACC Act and its amendments. Our Group is dedicated to carrying out our business operations with integrity, clarity, and responsibility. To uphold these values, we have implemented an anti-bribery and anti-corruption policy. This policy is in accordance with the MACC Act and outlines our Group stance against all types of bribery and corruption. We maintain a zero-tolerance approach to such practices, not only within our organisation but also in dealings with external entities like customers and suppliers.

Whistleblowing policy and guidelines. Our Group is devoted to managing our business operations ethically, transparently, and responsibly. In line with this commitment, we have established a Whistleblowing Policy, compliant with the Whistleblower Protection Act 2010. This policy enables stakeholders, including customers, employees, suppliers, and the local community, to report any real suspicions or accusations regarding fraud within our Group, alleged unethical actions, or inappropriate business practices conducted by our employees or external parties in business relations with us. This policy is designed to safeguard our Group's integrity and address concerns that might impact us.

SUSTAINABILITY STATEMENT (CONT'D)

MATERIAL SUSTAINABILITY & RELEVANT ACTION PLAN (CONT'D)

Business Ethics and Corporate Governance (Cont'd)

Our Approach (Cont'd)

Code of conduct and ethics in compliance with MCCG. Maintaining robust corporate governance practices is essential for promoting and upholding integrity and ethical business behavior. Consequently, our Group has adopted a code of ethics that applies to all employees and our Board members. In order to foster a Board that effectively instills these corporate governance practices within our Group, we have formed a Nomination Committee and Remuneration Committee. These committees are composed solely of Non-Executive Directors.

Looking Ahead

Moving forward, the Group will conduct regular awareness programmes and internal assessments to strengthen our ethical culture and governance practices across all levels of the organisation. These initiatives aim to ensure that employees understand and uphold the Group's Policies.

We also plan to carry out periodic compliance reviews to evaluate the effectiveness of our governance policies and ensure they remain up to date with evolving legal and regulatory requirements, including the MACC Act and MCCG.

Procurement Management

Why It Matters

A resilient and responsible supply chain is essential to ensure business continuity, product quality, and regulatory compliance. By sourcing locally, we maintain a diverse supplier base, balancing cost efficiency, product availability, and sustainability considerations. Our supply chain practices also support local businesses while ensuring that we obtain the best raw materials and services to meet industry standards.

Our Approach

Procurement management procedure which includes supplier evaluation and quality management system. The procurement management procedure, encompassing supplier evaluation and a quality management system, is a comprehensive approach that ensures we engage with capable and reliable suppliers. This procedure includes a thorough assessment of potential suppliers to verify their ability to meet our quality standards and fulfill our requirements consistently. Additionally, the quality management system is integrated into this process to maintain high standards of procurement.

It involves regular monitoring and evaluation of both the suppliers and the goods or services they provide, ensuring continuous improvement and adherence to our organizational standards.

Looking Ahead

Moving forward, we aim to strengthen our procurement practices by formalising our supplier onboarding and evaluation processes through the adoption of a documented procurement policy. We also plan to incorporate sustainability criteria into future supplier assessments, encouraging responsible sourcing and greater transparency throughout our supply chain. Additionally, we will continue engaging local suppliers where possible to support the local economy and reduce environmental impact associated with long-distance sourcing.

SUSTAINABILITY STATEMENT (CONT'D)

CONCLUSION

As we mark our first year as public listed company, Sik Cheong will continue to strengthen its sustainability efforts by further integrating ESG considerations into our business strategy. In order to generate long-term value for our stakeholders, we are dedicated to upholding high standards in corporate governance, environmental sustainability, and employee well-being.

We uphold operational excellence while promoting good social impact via ethical corporate practices, and efficient procurement management. Our commitment to environmental sustainability is shown via waste management practices, which minimise our ecological impact while preserving operational efficiency. Furthermore, our dedication to workplace health and safety, diversity, and employee welfare demonstrates our conviction that having a motivated team is essential to our success.

As we expand, we are committed to strengthening our sustainability initiatives, following industry best practices, and maintaining the highest integrity standards. Our goal is to create a robust, future-ready company that benefits all stakeholders by striking a balance between economic success and social and environmental responsibility.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors of Sik Cheong Berhad (“Company”) and its subsidiaries (“Group”) recognises the importance of corporate governance and is committed to ensure that the principles and best practices in corporate governance as set out in the MCCG are observed and practised throughout the Group. This is to ensure that the affairs of the Group are conducted with integrity and professionalism, in compliance with the relevant law, regulatory requirements and rules, and ethically with the objective of safeguarding the shareholders’ interest and ultimately enhancing the shareholders’ value.

The Group’s corporate governance framework is set based on the following guidelines:

- the principles and recommendations of the MCCG issued by the Securities Commission Malaysia;
- the corporate governance requirements of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”);
- Corporate Governance Guide and the Corporate Disclosure Guide issued by Bursa Securities.

This Corporate Governance Overview Statement (“Statement”) which is prepared in compliance with Rule 15.25(1) of the Listing Requirements, provides an overview of the Company’s application of the Principles set out in the MCCG. The Board approved this Statement on 16 July 2025 and believes that it has in all material aspects complied with the principles and recommendations outlined in the MCCG. However, if alternatives have been adopted, it will be disclosed accordingly. The details on how the Company has applied, or departed from, each Practice as set out in the MCCG are disclosed in the Corporate Governance Report, which is available for viewing on the Company’s website at www.sikcheong.com.my as well as via the website of Bursa Securities.

A. BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

1. Board of Directors

The Group is led by an effective and experienced Board, with members from diverse backgrounds and specialisations possessing a wide range of expertise in areas such as finance, corporate affairs, accounting, legal and marketing. Collectively, they bring a broad range of skills, experience and knowledge which gives added strength to the leadership in managing and directing the Group’s operations. There is a clear division of functions between the Board and the Management of the Company (“Management”) to ensure that no single individual or group dominates the decision-making process.

The Board must ensure that the Directors are aware of their roles and responsibilities as outlined by the Board Charter. This Board Charter sets out the composition and balance, roles and responsibilities, operation and processes of the Board and ensures that all Board members acting on behalf of the Company are aware of their duties and responsibilities as Board members.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

1. Board of Directors (Cont'd)

The responsibilities and duties of the Board are amongst others, the following:

- i. Overseeing and evaluating the conduct and sustainability of the businesses of the Group;
- ii. Reviewing and adopting the overall strategic direction, business plans, and annual budgets of the Group, including major capital commitments and ensuring that such strategic plans support long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability;
- iii. Establishing key performance indicators and succession plans;
- iv. Reviewing and approving new ventures, major acquisitions and disposal of undertakings and properties;
- v. Identifying and understanding the principal risks of the Company's business and ensuring the implementation of appropriate internal control systems and mitigation measures to manage these risks;
- vi. Reviewing the adequacy and integrity of the Group's internal control systems and management information systems;
- vii. Overseeing the development and implementation of the shareholder communications policy for the Company;
- viii. Ensuring the Group's core values, vision and mission and shareholders' interests are met;
- ix. Ensuring all significant systems and procedures are in place for the Group to run effectively, efficiently and meet all legal and contractual requirements;
- x. Ensuring that the Group has appropriate corporate governance in place including standards of ethical behaviour and promoting a culture of corporate responsibility;
- xi. Supervise and assess the performance of the senior management to determine whether the business is being properly managed and ensure that appropriate measures are in place against which the senior management's performance can be assessed;
- xii. To review, challenge and decide on management's proposals for the Group and to monitor its implementation by management;
- xiii. Monitor compliance with established policies and procedures;
- xiv. Comply with environment, safety and health legislation by understanding the operations being carried out by employees and the hazards and risks associated with such operations;
- xv. Ensure the senior management has the necessary skills and experience and there are measures in place to provide for the orderly succession of Board and senior management; and
- xvi. To ensure the integrity of the Company's financial and non-financial reporting.

The Board will also be involved in deliberation and decision-making process to ensure the direction and control of the Group's businesses and resources are in good hands.

The Board monitors progress of Group's strategies and performance, ensures key management continuity with proper succession plan and reviews internal control and risk management system.

The Board's activities for the financial year ended 31 March 2025 ("FY2025") comprised the following:

- Review and approve all quarterly results;
- Approve the Directors' Report and Audited Accounts for the financial year ended 31 March 2024;
- Approve the reports of the Audit and Risk Management, Nomination and/or Remuneration Committees and to note the minutes of the Board Committees meetings on a quarterly basis;
- Review the risk management framework of the Group and update on management of major business risks by the Group; and
- Approve the re-appointment of the Group's external auditors and ensure that the external auditors meet the criteria provided by the Listing Requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

1. Board of Directors (Cont'd)

To assist in the discharge of its responsibilities, the Board has established the following Board Committees to perform certain of its functions and to provide recommendations and advice:

- (i) Nomination Committee ("NC")
- (ii) Remuneration Committee ("RC")
- (iii) Audit and Risk Management Committee ("ARMC")

Each Board Committee operates within their approved Terms of Reference set by the Board which are periodically reviewed. The Board appoints the chairman and members of each Board Committee.

The chairman of the respective Board Committees will report to the Board on the outcome of any discussions held at the Board Committee meeting and make recommendations thereon to the Board. Ultimate responsibility for the final decision on all matters, however, lies with the Board.

The profile of each Director is presented from pages 20 to 25 of this Annual Report.

2. Separation of Positions of Chairman of the Board ("Chairman") and Chief Executive Officer

The Board recognises the importance of having clear division of power and responsibilities between the roles of the Chairman and the Managing Director (i.e., the chief executive of the Group) to ensure that there is equilibrium of power and authority in managing and directing the Group. The role of the Chairman and the Managing Director are distinct and separate to engender accountability and facilitate a clear division of responsibilities to ensure there is a balance of power and authority in the Group.

The Independent Non-Executive Chairman of the Board, Encik Abdul Razak Bin Dato' Haji Ipap, is primarily responsible for the effective and efficient conduct and working of the Board. He leads the Board with focus on governance and compliance and acts as a facilitator at Board meetings.

The Board delegates the Managing Director, Mr Wong Hing Ngiap, and the Management, to oversee the day-to-day management of the Group's business operations and implementation of policies and strategies adopted by the Board to achieve the Group's objective of creating long term value for its shareholders.

The Board views that the Chairman should not be involved in any Board Committees. This is to uphold effective checks and balances as well as to preserve the objectivity and independence of Board Committee(s). Therefore, our Chairman is not a member of any of the Board Committees which is in line with best practices outlined in the MCCG.

3. Supply of and Access to Information

All Directors have full and unrestricted access to all information pertaining to the Group's businesses and affairs in a timely manner which enables them to discharge their duties effectively.

Procedures have been established for timely dissemination of Board and Board Committees papers to all Directors and members of the Board Committees in advance of the scheduled meetings. Based on Board Charter, the Directors receive notices of meetings, typically at least five (5) working days prior to the date of the meeting. Upon conclusion of the meeting, the Company Secretaries of the Company ("Company Secretaries") will prepare the minutes of meeting and circulate them in a timely manner.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

1. Board Responsibilities (Cont'd)

3. Supply of and Access to Information (Cont'd)

Generally, the Board papers circulated would include minutes of the previous meeting, quarterly and annual financial statements, corporate developments, minutes of Board Committees' meetings, acquisition and disposal proposals, related party transactions and/or recurrent related party transactions, updates from Bursa Securities and list of directors' circular resolutions passed.

Management and external advisers are invited to attend the Board and/or Board Committee meetings to provide additional insights and professional views, advice and explanations on specific items on the meeting agenda.

The external auditors would brief the Board members on the financial reporting standards that would affect the Group's financial statements during the period. As and when necessary, the Board may obtain independent professional advice, at the Group's expense, in the furtherance of their duties.

Technology is effectively used in the Board and Board Committees' meetings. The agenda and meeting materials are sent electronically to the Directors. Where the Directors are in remote areas or overseas, they are encouraged to participate in meetings via audio or video conferencing.

4. Commitment of the Board

The Board would meet at least four (4) times a year, by scheduling meetings based on the actual situation and operational requirements of the Group, the Board ensures that the governance responsibilities are carried out effectively and in timely manner. Additional meetings are convened where necessary to deal with urgent and important matters that require the attention of the Board.

All pertinent issues discussed in Board meetings are properly recorded by the Company Secretaries.

A total of five (5) Board meetings were held during the FY2025. The following outlines the attendance of each Director at the FY2025 Board meetings:

Directors	Number of Board meetings attended	Percentage of attendance (%)
En Abdul Razak Bin Dato' Haji Ipap	5/5	100%
Mr Wong Hing Ngiap	5/5	100%
Mr Wong Hin Loong	5/5	100%
Mr Thong Kooi Pin	5/5	100%
Ms Keh Siew Hoon	5/5	100%
Ms Kok Yi Ling	5/5	100%

All the Directors complied with the minimum attendance requirement of 50% for the Board meetings conducted during the FY2025, as stated under Rule 15.05 of the Listing Requirements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

4. Commitment of the Board (Cont'd)

The Board is satisfied with the level of time commitment given by each Director towards fulfilling their roles and responsibilities as evidenced by the satisfactory attendance recorded.

It is the Directors' duty to notify the Board before accepting any new directorship notwithstanding that the Listing Requirements allows a Director to sit on the Board of a maximum of five (5) listed issuers. Such notification is expected to include an indication of time that will be spent on the new appointment. At present, all Directors of the Company have complied with the Listing Requirements where they do not sit on the board of more than five (5) listed issuers.

5. Continuous Development of the Board

The Board acknowledges the importance of constantly updating itself on the industry's directions and developments. The Board is provided with the opportunity for training in areas such as new laws and regulations, financial reporting, risk management and investor relations in order to equip themselves with the knowledge to effectively discharge their duties.

The external training programmes, seminar/or conferences attended by the Directors during the FY2025 were as follows:

Directors	List of training/ seminar/ conference/ workshops attended
En. Abdul Razak Bin Dato' Haji Ipap	<ul style="list-style-type: none"> • Environmental, social and governance ("ESG") Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn. Bhd. • Mandatory Accreditation Programme ("MAP") (Part I)
* Mr Wong Hing Ngiap	<ul style="list-style-type: none"> • LHDN E- Invoice Seminar by SQL Account • Mastering ESG Integration for Sustainable Business Success by Vaersa Training Sdn Bhd
* Mr Wong Hin Loong	<ul style="list-style-type: none"> • Mastering ESG Integration for Sustainable Business Success by Vaersa Training Sdn Bhd
^ Mr Thong Kooi Pin	<ul style="list-style-type: none"> • ESG Essential: A Comprehensive Introduction for Companies by Vaersa Advisory Sdn Bhd • ESG Update and aligning ESG with your Business Strategies by Tricor Axcelasia Sdn Bhd
Ms Keh Siew Hoon	<ul style="list-style-type: none"> • MAP (Part I)
Ms Kok Yi Ling	<ul style="list-style-type: none"> • MAP (Part I)

Notes:

* *Mr Wong Hing Ngiap and Mr Wong Hin Loong had attended MAP (Part I) on 25 and 26 March 2024 prior to the Company's listing on the ACE Market of Bursa Securities.*

^ *Mr Thong Kooi Pin had attended MAP (Part I) on 15 and 16 November 2005 prior to the Company's listing on the ACE Market of Bursa Securities.*

The Board (via the NC) continuously evaluate and determine the training needs of the Directors to build their knowledge so that they can be up-to-date with the development of the Group interest and industry that may affect their roles and responsibilities.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

6. Board Committees

NC

The NC oversees matters related to the nomination of new Directors, annually reviews the required mix of skills, experience and other requisite qualities of Directors as well as the annual assessment of the effectiveness of the Board as a whole, its Committees and the contribution of each individual Director as well as identifies candidates to fill board vacancies, and nominating them for approval by the Board.

The NC evaluates the suitability of potential candidates before recommending them for appointment to the Board. In making these recommendations, the NC assess candidates based on criteria such as their competence, independence, professionalism, character, integrity, time and commitment, any conflict of interest. The NC also considers diversity in skills, knowledge, expertise, age, cultural background and gender to ensure a balanced and effective Board composition. In addition, the candidate must meet the fit and proper criteria outlined in the Directors' Fit and Proper Policy. In the case of candidates for the position of Independent Director, the NC shall also evaluate their ability to discharge such responsibilities/ functions as expected from an Independent Director.

The NC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The composition of the NC is as follows:

NC Members	Designation
Ms Keh Siew Hoon	Chairperson
Mr Thong Kooi Pin	Member
Ms Kok Yi Ling	Member

The main activities carried out by the NC during FY2025 are as follow:

- noted and accepted the resignation of the Chief Financial Officer;
- conducted an assessment (including fit and proper and conflict of interest assessments) for the candidate of the Financial Controller;
- reviewed and recommended the appointment of the Financial Controller of the Company to the Board for approval;
- reviewed the required mix of skills and experience and other qualities of the Directors and assess the effectiveness of the Board as a whole; and
- assessed the performance and contribution of the Directors who are subject to retirement by rotation at the Annual General Meeting ("AGM") in accordance with the Constitution of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

6. Board Committees (Cont'd)

NC (Cont'd)

In May 2025, the NC had reviewed and recommended the adoption of evaluation forms for Board, Board Committees, individuals Director and independence of Independent Directors, to the Board for approval to enable the NC and the Board to assess and determine the effectiveness of the Board, its Committees and each individual Director on an annual basis. The following activities were carried out by the NC:-

- reviewed and assessed the effectiveness of the Board as a whole (including the mix of skills, experience and core competencies of the Board), Board Committees and contributions of each individual Director as well as their character, experience, competence, integrity and time commitment, and independence of Independent Directors and make appropriate recommendation to the Board;
- reviewed and recommended the re-election of Directors, who are subject to retirement by rotation at the forthcoming AGM in accordance with the Company's Constitution for the Board's further recommendation to the shareholders for approval; and
- reviewed performance of the Managing Director, Executive Director and Key Senior Management; and
- assessed the training needs and recommended suitable training programme for the continuous development of the Directors.

The NC's Terms of Reference can be found on the Company's website at www.sikcheong.com.my.

RC

The RC is responsible for recommending the remuneration principles and the framework for members of the Board and Senior Management to the Board.

The RC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The composition of the RC is as follows:

RC Members	Designation
Ms Kok Yi Ling	Chairperson
Mr Thong Kooi Pin	Member
Ms Keh Siew Hoon	Member

Below is a summary of the key activities undertaken by the RC in the discharge of its duties during FY2025:-

- (a) Reviewed the remuneration package of the Managing Director, Executive Director and Key Senior Management; and
- (b) Reviewed and recommended the Directors' fees payable to the Independent Non-Executive Directors of the Company.

The RC's Terms of Reference can be found on the Company's website at www.sikcheong.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

6. Board Committees (Cont'd)

ARMC

The ARMC assists in providing oversight on the Group's financial reporting, disclosure, regulatory compliance and monitoring of internal control processes within the Group. Besides that, the ARMC reviews the quarterly financial results and audited financial statements, internal and external audit reports as well as related party transactions.

The ARMC comprises of three (3) members, all of whom are Independent Non-Executive Directors. The composition of the ARMC is as follows:

ARMC Members	Designation
Mr Thong Kooi Pin	Chairman
Ms Keh Siew Hoon	Member
Ms Kok Yi Ling	Member

The description of the activities carried out by the ARMC during the FY2025 is set out in the ARMC Report from pages 59 to 61 of this Annual Report.

The ARMC's Terms of Reference can be found on the Company's website at www.sikcheong.com.my.

7. Board Charter

The Board Charter provides clarity on Board practices in upholding corporate governance and serves as a reference point for Board activities, which include the following key areas:

- The Board's principal role and responsibilities;
- The Board structure, including Board balance, authorities of the Board and Directors' tenure;
- The Board members, Board committees, key management officers and company secretaries roles and responsibilities;
- The Board governance processes, including meetings, appointment, re-appointment and removal of Directors;
- The Board's Authorities; and
- Confidentiality and Disclosures of Interest.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

8. Code of Conduct and Ethics and the Anti-Bribery & Corruption Policy

The Board established and adopted the Code of Conduct and Ethics. The Code of Conduct and Ethics sets out the underlying values, commitment, dedication, diligence and professionalism contributing towards the social and environmental growth of the surroundings in which the Group operates.

The Anti-Bribery & Corruption Policy applies to all employees (whether temporary, contractual, or permanent), Directors, and Business Partners of the Group. They are expected to carry out their duties with the utmost integrity, grounded on sound moral and ethical principles.

The Board will review the Code of Conduct and Ethics and the Anti-Bribery & Corruption Policy periodically to ensure its effectiveness and consistency with the governing legislation and regulatory requirements.

The Code of Conduct and Ethics and Anti-Bribery & Corruption Policy can be found on the Company's website at www.sikcheong.com.my.

9. Whistleblowing Policy and Procedures

The Board has formalised a formal Whistleblowing Policy, with the aim to provide an avenue for raising concerns related to a possible breach of business conduct, non-compliance with laws and regulatory requirements as well as other malpractices.

The policy is a specific means by which stakeholders can exercise their responsibility to report or disclose through established channels, their legitimate concerns without fear regarding any unethical conduct, illegal acts or failure to comply with the Company's policies and regulatory requirements responsibly and sensibly.

The Whistleblowing Policy can be found on the Company's website at www.sikcheong.com.my.

10. Sustainability

Sustainability is one of the strategic pillars for Sik Cheong and is integral to the Group's long-term business success. The Group's sustainability performance is considered fundamental to our business success and sustainability is in fact embedded in our day-to-day operations. Central to our approach is a strong emphasis on growing our business responsibly, taking into account our environment and social impact on the community and our employees. With policies mentioned above, the Group will be able to work towards better results and improve on sustainability.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

11. Company Secretaries

The Board is satisfied with the performance and support provided by the Company Secretaries. As professional Company Secretaries, they provide valuable and relevant advice to the Directors on compliance and maintaining good corporate governance within the Group.

All Directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively. The Company Secretaries are qualified to act in accordance with the requirements of the Companies Act, 2016.

The Board is updated and kept informed by the Company Secretaries on the latest developments in the legislation and regulatory framework issued by the regulatory authorities.

The Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that proper and accurate records of proceedings, deliberations are minuted and resolutions passed are documented and statutory registers are properly maintained at the registered office of the Company.

The Company Secretaries consistently keep themselves abreast of the regulatory alterations and developments in corporate governance through active participation in relevant conferences and training programs.

II. Board Composition

1. Composition and Diversity

The Directors are of the opinion that the current Board size and composition is adequate for facilitating effective decision making given the scope and nature of the Group's businesses and operations. The Board maintains an appropriate balance of expertise, skills and attributes among the Directors which is reflected in the diversity of backgrounds and competencies of the Directors. Such competencies include finance, accounting, legal, digital and other relevant industry knowledge, entrepreneurial and management experience and familiarity with regulatory requirements and risk management.

The Board consists of six (6) members, comprising of one (1) Independent Non-Executive Chairman, one (1) Managing Director, one (1) Executive Director and three (3) Independent Non-Executive Directors, wherein majority of the Board comprises Independent Directors. The composition of the Board ensures that the Independent Non-Executive Directors will be able to exercise independent judgment on the affairs of the Group. The existing composition of the Board is as set out below:

Directors	Designation
En. Abdul Razak Bin Dato' Haji Ipap	Independent Non-Executive Chairman
Mr Wong Hing Ngiap	Managing Director
Mr Wong Hin Loong	Executive Director
Mr Thong Kooi Pin	Independent Non-Executive Director
Ms Keh Siew Hoon	Independent Non-Executive Director
Ms Kok Yi Ling	Independent Non-Executive Director

The Board of Directors' profile can be found from pages 20 to 25 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

2. Independency of Independent Directors

The Independent Directors play a crucial role in corporate accountability and provide unbiased views and impartiality to the Board's deliberations and decision-making process. In addition, the Independent Directors ensure that matters and issues brought to the Board are given due consideration, fully discussed and examined, taking into account the interest of all stakeholders. The NC and Board assess the independence of Independent Non-Executive Directors annually.

All four (4) Independent Non-Executive Directors fulfil the criteria of independence as defined in the Listing Requirements.

As recommended in Principle A of MCCG, the tenure of an independent director should not exceed cumulative term limit of nine (9) years. Upon completion of the 9 years, an independent director may continue to serve on the board as a non-independent director. If the board intends to retain an independent director beyond nine (9) years, it should provide justification and seek annual shareholders' approval through a two-tier voting process. As of the date of this statement, none of the Independent Directors has served for a cumulative period exceeding nine (9) years.

3. Gender Diversity

While the Board acknowledges the need to promote gender diversity within its composition and endeavour to increase female participation in the Board, it has decided not to set any specific targets as the Board believes that it is more important to have the right mix and skills for such positions. Nonetheless, the Board shall, whenever possible, comprise at least 30% women Directors to bring in a diversity of perspectives during the deliberation process.

The Board had adopted the Diversity Policy which sets out the Group's approach to diversity on the Board and Senior Management. The Board together with the NC will assess and evaluate current diversity levels, identify and analyse gaps and criteria for new board appointments, and thereafter recommend the strategies, objectives, targets and practical goals against an indicative time frame in order to maintain an appropriate range and balance of skills, experience and background on the Board. The Group will evaluate the suitability of candidates as a new Board member based on the candidates' competency, skills, character, time commitment, knowledge, experience and other qualities in meeting the needs of the Group, and also take into consideration the concept of diversity including but not limited to gender, age and ethnicity. Equal opportunity is given and does not practice discrimination of any form, whether based on age, gender, race and religion, throughout the organisation.

With the current composition of two (2) female Directors which represents 33% of women representation on the board, the Board is in the opinion that its members have the necessary knowledge, experience, diverse range of skills and competence to enable them to discharge their duties and responsibilities effectively. The NC will continue to take steps to ensure suitable female candidates are sought as part of its recruitment exercise.

4. Chairman of the NC

The NC is led by Ms Keh Siew Hoon, the Independent Non-Executive Director, who directs the NC for succession planning, appointment of Board members and Senior Management by conducting annual review of board effectiveness and skill assessments. This provides the NC with relevant information of the Group's needs, allowing it to source for suitable candidates when the need arises.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

5. Re-election of Directors

In accordance with Clause 76(3) of the Company's Constitution, one-third (1/3) of the Directors for the time being, shall retire from office at conclusion of the AGM in every year provided always that all Directors shall retire from office once at least in each three (3) years. A retiring director shall be eligible for re-election at the AGM.

The Directors who are seeking re-election are subject to Directors' assessment by the NC.

The NC had conducted the assessment on Wong Hin Loong and Kok Yi Ling (collectively, "Retiring Directors"), the Directors standing for re-election at the forthcoming AGM and agreed that they met the criteria of character, experience, integrity, competence and time to effectively discharge their respective roles as Directors. The NC had also conducted the fit and proper assessment on the Retiring Directors and was satisfied with the outcome of the assessments. The Retiring Directors had provided the fit and proper declarations in accordance with the Directors' Fit and Proper Policy of the Company.

The Board concurred with the findings of the NC, recommends and supports the re-election of the Retiring Directors, who are seeking for re-election pursuant to Clause 76(3) of the Company's Constitution at the forthcoming AGM for shareholders' approval.

A statement that the Board is satisfied with the performance evaluation of the Retiring Directors, hence endorsing the recommendation of the NC for the Retiring Directors to be considered for re-election pursuant to the Company's Constitution at the forthcoming AGM, is disclosed in the Statement Accompanying the Notice of AGM enclosed in the Company's Annual Report.

The details of the Retiring Directors were disclosed in the Profile of Directors in the Company's Annual Report including their age, gender, position in the Company, qualification, working experience, expertise, any position in Board Committee, any conviction of offence in the past 5 years and any conflict of interest with the Company. The shareholdings of the Retiring Directors were disclosed in the Analysis of Shareholdings in the Company's Annual Report.

6. Annual Evaluation

The NC is responsible in evaluating the performance and effectiveness of the entire Board, the Board Committees and individual Directors on a yearly basis. The evaluation process is led by the NC's Chairman and supported by the Company Secretaries via questionnaires. The NC reviews the outcome of the evaluation and recommends to the Board on areas for continuous improvement and also for them to form the basis of recommending relevant Directors for re-election at the AGM.

The NC recommended the adoption of Evaluation Forms for Board, Board Committees, individuals Director and independence of Independent Directors. The Evaluation Forms enable the NC and the Board to assess and determine the effectiveness of the Board, its Committees and each individual Director on an annual basis.

The annual evaluation comprises a combination of self-assessments for the Board, Board Committees and the independence of Independent Directors and peer-assessments for the performance of the individual Directors and members of the ARMC. The assessment criteria used in the assessment of effectiveness of the Board and individual Directors includes mix of skills, knowledge, Board diversity, size and experience of the Board, quality of Board meetings, Board functionality, and core competencies and contribution of each Director. The Board Committees were assessed based on their composition, roles and responsibilities, scope and knowledge, frequency and length of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their function.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration

The objectives of the Company's Remuneration Policy and Terms of Reference of the RC are to provide fair and competitive remuneration to its Directors and senior management in order for the Group to attract and retain Directors and senior management of calibre to run the Group successfully. The responsibilities for developing the Remuneration Policy, determining the remuneration packages of Directors, Managing Director and senior management, lies with the RC. Nevertheless, it is ultimately the responsibility of the Board to determine the remuneration of Directors and senior management. The Director concerned shall abstain from deliberation and voting on decision in respect of his/her individual remuneration.

Based on the Remuneration Policy, the remuneration packages for the Executive Directors comprises a fixed component (i.e. salary, allowance and etc.) and a variable component (i.e. bonus, benefit-in kind-and etc.) which is determined by the Group's overall financial performance in each financial year.

The level of remuneration of Non-Executive Directors reflects their experience and level of responsibility undertaken by them. Non-Executive Directors will receive a fixed fee, with additional fees if they are members of Board Committees.

The Remuneration Policy can be found on the Company's website at www.sikcheong.com.my.

The details of the Directors' remuneration of the Group and the Company for FY2025 is as follows:

(a) Group level

Directors	Directors' Fees (RM'000)	Directors' Remuneration				Grand Total (RM'000)
		Salary (RM'000)	Bonus (RM'000)	Benefits in Kind (RM'000)	Other emoluments (RM'000)	
Group						
Executive Directors						
Wong Hing Ngiap	–	300,458	80,119	30,780	106,955	518,312
Wong Hin Loong	–	320,000	80,119	27,883	102,687	530,689
Non-Executive Directors						
Abdul Razak Bin Dato' Haji Ipap	40,000	–	–	–	–	40,000
Thong Kooi Pin	40,000	–	–	–	–	40,000
Keh Siew Hoon	30,000	–	–	–	–	30,000
Kok Yi Ling	30,000	–	–	–	–	30,000
Total	140,000	620,458	160,238	58,663	209,642	1,189,001

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

A. BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration (Cont'd)

The details of the Directors' remuneration of the Group and the Company for FY2025 is as follows: (Cont'd)

(b) Company level

Directors	Directors' Fees (RM'000)	Directors' Remuneration				Grand Total (RM'000)
		Salary (RM'000)	Bonus (RM'000)	Benefits in Kind (RM'000)	Other emoluments (RM'000)	
Company						
Executive Directors						
Wong Hing Ngiap	–	188,458	54,119	3,891	80,348	326,816
Wong Hin Loong	–	208,000	54,119	2,479	76,220	340,818
Non-Executive Directors						
Abdul Razak Bin Dato' Haji Ipap	40,000	–	–	–	–	40,000
Thong Kooi Pin	40,000	–	–	–	–	40,000
Keh Siew Hoon	30,000	–	–	–	–	30,000
Kok Yi Ling	30,000	–	–	–	–	30,000
Total	140,000	396,458	108,238	6,370	156,568	807,634

B. EFFECTIVE AUDIT AND RISK MANAGEMENT

I. ARMC

The current ARMC consists of three (3) members, all of whom are Independent Non-Executive Directors. The ARMC Chairman is Mr Thong Kooi Pin, qualified Chartered Accountant, who is a member of both the Malaysian Institute of Accountants, as well as a Fellow of the Association of Chartered Certified Accountants (ACCA).

The Chairman of the ARMC is not the Chairman of the Board, ensuring that the independence and objectivity on the Board's review of the ARMC's findings and recommendation remains intact.

The ARMC has a policy that requires a former partner of the external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting etc) of the Company to observe a cooling-off period of at least three years before being eligible to be appointed as a member of the ARMC.

Further details of the ARMC (including ARMC composition) and its activities are included in the ARMC Report in this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

I. ARMC (Cont'd)

External Auditors

The Board has established a transparent relationship with the External Auditors of the Group, Messrs Morison LC PLT ("External Auditors") through the ARMC, which has been accorded the authority to communicate directly with the External Auditors. The External Auditors have also regularly briefed the ARMC on any changes to the Malaysian Financial Reporting Standards and other related regulatory requirements that affect the Group's financial statements during the year.

The ARMC has established External Auditors' Assessment Policy ("Policy") to assess the Suitability, Objectivity, Independence and Capabilities of the External Auditors to safeguard the quality and reliability of audited financial statements. The purpose of Policy is to detail the responsibilities of the ARMC regarding the External Auditors of the Company, as laid down in the Terms of Reference of the ARMC, being:

- a) the establishment of policies and procedures for the selection, appointment, re-appointment of the External Auditors;
- b) the assessment of the suitability, objectivity, independence and capabilities of the External Auditors; and
- c) the establishment of policies and procedures for the provision of non-audit services by the External Auditors.

The Policy can be found on the Company's website at www.sikcheong.com.my.

The ARMC conducts annual review of the suitability, objectivity, independence and capabilities of External Auditors of the Company and the effectiveness of the external audit process of External Auditors. The ARMC meets with External Auditors at least twice a year to discuss audit plan, findings and financial statements.

The External Auditors have confirmed to the ARMC that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria set out by the Malaysian Institute of Accountants.

The ARMC had on 23 May 2025 conducted an assessment on the External Auditors as well as the external audit process of External Auditors. Based on the assessment, the ARMC was satisfied with the Suitability, Objectivity, Independence and Capabilities of the External Auditors of the Company as well as the effectiveness of the external audit process of the External Auditors and recommended the same to the Board. The Board, based on the ARMC's recommendation, would be tabling the re-appointment of Messrs Morison LC PLT as the External Auditors of the Company at the forthcoming AGM.

For the FY2025, fees paid to the External Auditors, Messrs Morison LC PLT by both the Company and the Group are stated in the table below:-

Nature of Services	Company (RM'000)	Group (RM'000)
Audit	50	90
Non-Audit:		
Review of Statement on Risk Management and Internal Control	5	5

The roles and responsibilities of the ARMC are set out in its Terms of Reference, which can be found on the Company's website at www.sikcheong.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

B. EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

II. Risk Management and Internal Control Framework

In recognising the importance of risk management and internal controls, the Board has delegated its responsibility for reviewing the effectiveness of the Group's systems of internal control to the ARMC. This covers all material controls including financial, operational, compliance and risk management systems. The ARMC is further supported by a number of sources of internal assurance within the Group in order to determine the adequacy and effectiveness of the existing risk controls.

The ARMC oversees the risk management of the Group and advises the Board on areas of high risk faced by the Group and the adequacy of compliance and control throughout the organisation. The ARMC also reviews the action plan implemented and makes relevant recommendations to the Board to manage residual risks. The Group has established a formal risk management framework to oversee the risks management of the Company and engaged an external consultant to assist the Company in identifying, assessing and managing the risks in areas that are applicable to the Company's business and ensure that the risk management process in place and functioning effectively.

The internal audit function of the Group has been outsourced to Vaersa Advisory Sdn Bhd ("Vaersa Advisory" or "Internal Auditors"). The Engagement Director is Ms Tiffany Lim, who has diverse professional experience in internal audit, risk management and corporate governance advisory. She is a member of the Malaysian Institute of Accountants and an Associate member of the Institute of Internal Auditors Malaysia.

The Internal Auditors reports directly to the ARMC and would make reference to the Group's policies and procedures, established practices, listing requirements and recommended industry practices whenever required. Vaersa Advisory is free from any relationships or conflicts of interest with the Group that could impair their objectivity and independency of the internal audit function.

The Board has established the ARMC as part of its governance structure. Further information may be found in the Statement on Risk Management and Internal Control from pages 63 to 67 of this Annual Report.

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with stakeholders

All information is made available to the shareholders and investors through the Annual Report; the various disclosures and announcements made to Bursa Securities and the Company's website at www.sikcheong.com.my.

The Company will continuously enhance the disclosures on its website for broader and more effective dissemination of information to its stakeholders from time to time. The announcement of the quarterly financial results is also made via Bursa LINK in a timely manner as required under the Listing Requirements to ensure equal and fair access to information by the investing public.

Through timely official public announcement and meetings, to understand shareholders' concerns and expectations in order to plan, formalise and realign corporate direction in achieving the performance and common goals expected by shareholders, the Board members and the management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

C. INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

II. Leverage on Information Technology

An official “Investor Relations” (“IR”) section is incorporated in the Company’s website. It provides relevant information, including the Company’s announcements, company polices and corporate structure on a timely basis.

III. Conduct of General Meetings

The AGM is the principal forum for dialogue with shareholders, allowing shareholders to review the Group’s performance via the Annual Report. The stakeholders are given the opportunity to raise question or to seek for clarification on relevant information of the Company.

The Company also encourages shareholders to attend or appoint appropriate proxies with no qualification restriction who will have equal rights as members to speak at the meetings.

To ensure shareholders have sufficient time to review the relevant meeting materials and in line with the best practices under the MCGG, the notice of the AGM and Annual Report are circulated at least twenty-eight (28) clear days before the date of the AGM.

All Directors of the Company will attend the general meetings and the Chairman of the Board Committees are available during the meeting to address questions addressed to them, pursuant to Practice 13.2 of the MCGG. Additionally, the External Auditors will be present to offer their professional and independent insights on any concerns raised by shareholders.

In line with the Listing Requirements, the Company has implemented poll voting for all proposed resolutions set out in the notice of any general meeting. An independent scrutineer will be appointed to validate the votes cast at any general meeting of the Company.

The minutes of the AGM will be made available on the Company’s website at www.sikcheong.com.my no later than 30 business days from the AGM upon confirmation by the Board.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“the Board”) of Sik Cheong Berhad (“Sik Cheong” or “the Company”) is pleased to present the Audit and Risk Management Committee (“ARMC”) Report for the financial year ended 31 March 2025 (“FY2025”), adhering to Rule 15.15 of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the best practices of the Malaysian Code on Corporate Governance (“MCCG”).

The primary objective of the ARMC the Company is to establish a documented, formal and transparent procedure to assist the Board in fulfilling its fiduciary responsibilities relating to corporate accounting, financial reporting practices, system of risk management and internal control, the audit process and the process of monitoring compliance with laws and regulations.

1. COMPOSITION OF THE AUDIT COMMITTEE

The ARMC comprises the following three (3) members of the Board, all of whom are Independent Non-Executive Directors:-

Designation	Name	Directorship
Chairman	Thong Kooi Pin	Independent Non-Executive Director
Member	Keh Siew Hoon	Independent Non-Executive Director
Member	Kok Yi Ling	Independent Non-Executive Director

Mr Thong Kooi Pin is a qualified Chartered Accountant, who is a member of both the Malaysian Institute of Accountants, as well as a Fellow of Association of Chartered Certified Accountants (ACCA). Therefore, the ARMC is in compliance with the Rule 15.09 and Rule 15.10 of the Listing Requirements.

The Board assesses the composition and performance of the ARMC and its members through an annual Board Committee effectiveness assessment. Based on the assessment conducted for the FY2025, the Board was of the view that the present composition of the ARMC is appropriate. The Board was also satisfied that the ARMC and its members discharged their functions, duties and responsibilities in accordance with the ARMC’s Terms of Reference.

2. MEETINGS AND ATTENDANCE

A total of three (3) ARMC meetings were held during the FY2025. The composition and the attendance record of the ARMC members are as follows:-

Name and Designation of the Members of ARMC	Number of Attendance
Thong Kooi Pin Chairman, Independent Non-Executive Director	3/3
Keh Siew Hoon Member, Independent Non-Executive Director	3/3
Kok Yi Ling Member, Independent Non-Executive Director	3/3

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

3. TERMS OF REFERENCE

The Terms of Reference of ARMC is available for reference on the Company's website at www.sikcheong.com.my.

4. INDEPENDENCE AND COMPETENCY OF THE AUDIT & RISK MANAGEMENT COMMITTEE

The Company recognises the need to uphold independence of its External Auditors and that no possible conflict of interest whatsoever should arise. Currently, none of the members of the Board nor the ARMC of the Company were former key audit partners of the External Auditors appointed by the Group.

During the FY2025, all members of the ARMC had undertaken the relevant training programmes to keep themselves abreast of the latest development in accounting and auditing standards, statutory laws, regulations and best practices to enable them to effectively discharge their duties.

5. SUMMARY OF ACTIVITIES OF THE AUDIT & RISK MANAGEMENT COMMITTEE

During the financial year under review, the ARMC carried out its duties and responsibilities in accordance with its Terms of Reference. The ARMC has discharged its duties as set out below:-

Financial Results

- Reviewed and recommended to the Board for approval, the quarterly and statutory financial results of the Group, including related announcements to ensure adherence to the Listing Requirements, the relevant laws, regulations and applicable accounting standards as well as highlighted significant issues and any accounting adjustments to the Board.
- Reviewed the Audited Financial Statements ("AFS") for the financial period ended 31 March 2024 of the Group, ensuring that it complies with applicable accounting standards prior to recommending it to the Board for approval.
- Reviewed the Directors' Report and AFS for the FY2025 of the Group, ensure that it complies with applicable accounting standards prior to recommending it to the Board for approval and inclusion into the Annual Report of the Company for the FY2025.
- Monitored the integrity of the financial statement of the Group and assessed whether the financial report represents a true and fair view of the Group performance and ensured compliance with the regulatory requirements.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

5. SUMMARY OF ACTIVITIES OF THE AUDIT & RISK MANAGEMENT COMMITTEE (CONT'D)

External Audit

- The previous External Auditors, Messrs UHY Malaysia PLT, attended one (1) ARMC meeting held in FY2025. The new External Auditors, Messrs Morison LC PLT, attended one (1) ARMC meeting held in FY2025, during which the ARMC considered their appointment as the Company's new Auditors.
- Reviewed the External Auditors' audit scope and audit plan as well as the reports on the audit of the statutory financial statements of the Group.
- Reviewed and discussed with the External Auditors of their audit findings and areas of concern highlighted, audit recommendations and Management's response to the audit findings raised and audit recommendations.
- Discussed with the External Auditors the significant accounting and auditing issues, impact of new or proposed changes in accounting standards and regulatory requirements applicable to the Group.
- Reviewed the independence, objectivity and effectiveness of the External Auditors in meeting their responsibilities, including their provision of non-audit services and corresponding fees.
- Reviewed the resignation letter received from Messrs UHY Malaysia PLT on their resignation as External Auditors of the Company.
- Reviewed the independence, capabilities, audit resources and proposed audit fees of Messrs Morison LC PLT, and recommended their appointment as new Auditors in place of Messrs UHY Malaysia PLT, to the Board for approval.
- Reviewed and recommended the re-appointment of External Auditors and audit fees to the Board for its approval.
- Met the External Auditors in the absence of Executive Management once on 23 May 2025 during the FY2025 to discuss audited related matters.

The ARMC was satisfied that Messrs Morison LC PLT was unlikely to create any conflict of interest nor impair the independence, suitability and performance of Messrs Morison LC PLT and thus, recommended to the Board to seek shareholders' approval for the re-appointment of Messrs Morison LC PLT as External Auditors at the forthcoming Annual General Meeting.

Internal Audit

- The Internal Auditors attended two (2) ARMC meetings held in FY2025.
- Reviewed and approved the adequacy of the scope and areas of coverage of the Internal Audit Plan for the FY2025 and financial year ending 31 March 2026.
- Reviewed the Internal Audit Reports containing the results of the internal audit reviews with the Internal Auditors.
- Reviewed the adequacy of the scope, function, competency and resources of the internal audit functions.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

5. SUMMARY OF ACTIVITIES OF THE AUDIT & RISK MANAGEMENT COMMITTEE (CONT'D)

Internal Audit (Cont'd)

- Reviewed the internal audit findings and recommendations on the areas of concern highlighted by the Internal Auditors and the respective Management's responses thereto.
- Reviewed the effectiveness and efficiency of the internal controls system in place and risk factors affecting the Group as well as the action plans taken by Management to resolve the issues.
- Assisted the Board in identifying the principal risk, review and assess the effectiveness of the risk management framework and internal control system based on the reports and recommendations from the internal auditors.
- Reviewed the Statement on Risk Management and Internal Control and the Sustainability Statement of the Annual Report.

Recurrent Related Party Transactions ("RRPTs"), Related Party Transactions and Conflict of Interest

- Reviewed the RRPTs within the Group on a quarterly basis and satisfied that the RRPTs are in compliance with the Listing Requirements and recommended the same for the Board's notation.
- Reviewed any conflict of interest situation that arose, persist or may arise within the Group including any transaction, procedure or course of conduct that raises questions on management integrity and the measures taken to resolve, eliminate, or mitigate such conflicts, if any.
- Reviewed the conflict of interest or potential conflict of interest disclosure report. There was no conflict of interest or potential conflict of interest situation reported during FY2025 other than the interests of Directors in the RRPTs within the Group.

6. RRPT AND RELATED PARTY TRANSACTIONS

The ARMC was satisfied that the processes that the Group has in place for identifying, evaluating, approving, reporting and monitoring of RRPTs and/or Related Party Transactions were adequate to ensure all the transactions have been made at arm's length basis and not prejudicial to the interest of the Group or its minority shareholders and will be tracked and reported in a timely manner.

7. SUMMARY OF THE ACTIVITIES OF THE INTERNAL AUDIT FUNCTION

The internal audit function of the Group has been outsourced to Vaersa Advisory Sdn Bhd ("Vaersa Advisory"). The Engagement Director is Ms Tiffany Lim, who has diverse professional experience in internal audit, risk management and corporate governance advisory. She is a member of the Malaysian Institute of Accountants (MIA) and an Associate member of the Institute of Internal Auditors Malaysia (IIA).

The Internal Auditor of the Group and reports directly to the ARMC. The Internal Auditors would make reference to the Group's policies and procedures, established practices, listing requirements and recommended industry practices whenever required. Vaersa Advisory is free from any relationships or conflicts of interest which could impair their objectivity and independency of the internal audit function.

AUDIT AND RISK MANAGEMENT COMMITTEE REPORT (CONT'D)

7. SUMMARY OF THE ACTIVITIES OF THE INTERNAL AUDIT FUNCTION (CONT'D)

During the financial year under review, the following activities were carried out by the internal audit function:-

- (a) Prepared and tabled the risk-based Internal Audit Plan for the FY2025 and financial year ending 31 March 2026 for the ARMC's review and endorsement;
- (b) Conducted internal audit reviews based on the reviewed and approved Internal Audit Plans, details of which as follows:

Auditable Processes	Coverage
Financial and Treasury Management	<ul style="list-style-type: none"> • Timeliness and appropriateness of Financial Reporting. • Efficiency and effectiveness of Financial Department. • Annual Financial Budget and Cash Flow Monitoring. • Bank Reconciliation and Sales Proceeds Bank in. • Petty Cash Management. • Fixed Assets Management. • Insurance Coverage.
Production / Operations Management	<ul style="list-style-type: none"> • Production Planning, Work Scheduling and Control. • Material Planning. • Production Costing. • Quality Management and Performance Measurement. • Waste Handling. • Production Meeting. • Machinery Preventive Maintenance Planning and Machinery Breakdown. • Health & Safety.

- (c) Issued Internal Audit Reports incorporating audit recommendations and Management's responses in relation to the audit findings on the areas of improvement in the systems and controls of the Group to the ARMC and Management; and
- (d) Presented internal audit reports to the ARMC for review and consideration.

Notwithstanding the above, although a number of internal control deficiencies were identified during the internal audit reviews, none of the weaknesses have resulted in any material losses, contingencies or uncertainties that would require a separate disclosure in this Annual Report.

The total costs incurred by the Company in respect of the outsourced internal audit function of the Group and the internal audit services for the FY2025 was RM22,000.

The details of the internal audit functions of the Group are set out in the Statement on Risk Management and Internal Control on page 65 in this Annual Report.

This ARMC Report was approved by the Board on 16 July 2025.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Sik Cheong Berhad (“the Board”) is pleased to present its Statement on Risk Management and Internal Control (the “Statement”) for the financial year ended 31 March 2025 (“FY2025”). The Statement has been prepared in accordance with Rule 15.26(b) of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”), and is guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“the Guidelines”) and the MCCG. It outlines the nature and scope of the risk management and internal control systems of Sik Cheong Berhad and its subsidiaries (collectively referred to as “the Group”) during the financial year under review.

BOARD’S RESPONSIBILITY

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control, and for reviewing its adequacy and effectiveness to safeguard shareholders’ investments, the Group’s assets, and the interests of other stakeholders, including customers, employees and regulators.

The Board is assisted by the Audit and Risk Management Committee (“ARMC”) in reviewing the effectiveness of the risk management and internal control systems. The responsibility for the day-to-day implementation of these systems is delegated to management, which ensures that appropriate procedures and control frameworks are in place. Risk matters are identified and addressed by management and reported to the ARMC as part of the Group’s risk oversight process.

The Board and ARMC have received assurance from the Managing Director and Financial Controller 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 this Statement.

The Board recognises that due to inherent limitations, such systems are designed to manage, rather than eliminate, the risk of failure to achieve the Group’s business objectives. Accordingly, they can only provide reasonable, and not absolute, assurance against material misstatement, fraud or loss.

An ongoing process has been established to identify, evaluate, monitor and manage significant risks faced by the Group. This process is regularly reviewed by the ARMC and the Board, and is enhanced in response to changes in the business or regulatory environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT FRAMEWORK

The Group has established a structured risk management framework to identify, evaluate, monitor, and manage key risks that may affect its ability to achieve strategic and operational objectives. This framework is integrated within the Group's management and operational processes, serving as a foundation for informed decision-making at all levels of the organisation.

The Board, through the ARMC, oversees the implementation of the Group's risk management framework and ensures that key risks are identified, evaluated, and managed in line with the Group's strategic direction. The ARMC reviews and advises the Board on risk matters to ensure that the Group's risk management practices remain effective. Management is responsible for identifying and evaluating risks relevant to the business and for designing and implementing appropriate internal controls to manage those risks.

Key features of the Group's risk management framework include:

(i) Risk Identification and Assessment

Risks are identified across all key business units and functions through periodic assessments, focusing on strategic, operational, compliance, and financial risks. These assessments are conducted at least annually or as and when significant changes arise in the business or regulatory environment.

(ii) Risk Evaluation

Identified risks are assessed based on their likelihood of occurrence and potential impact and are prioritised accordingly. This allows the Group to focus its resources on managing the most significant risks that may affect the achievement of its business objectives.

(iii) Risk Mitigation and Control

Action plans are developed and implemented to manage significant risks. Controls are reviewed and enhanced where necessary to ensure their ongoing effectiveness.

(iv) Risk Monitoring and Reporting

Significant risk matters and mitigation measures are monitored and reported to the ARMC on a yearly basis. This ensures that risk responses remain relevant and effective in managing key risks.

(v) Roles and Responsibilities

Management plays a key role in day-to-day risk management, while the ARMC reviews and advises the Board on risk matters. Internal audit provides independent assurance on the effectiveness of the risk management and internal control processes.

The risk management framework is subject to regular review and enhancement to ensure it remains aligned with the Group's strategic direction, regulatory developments, and changes in the business environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTION

In line with the MCCG's guidance on risk management and internal controls, the Group has appointed Vaersa Advisory Sdn Bhd ("Vaersa Advisory"), an independent consulting firm, to review the adequacy and integrity of its internal control system. Vaersa Advisory serves as the Group's outsourced internal auditor and reports directly to the ARMC on a quarterly basis.

Vaersa Advisory's scope of work includes reviewing critical business processes, identifying control gaps, assessing the effectiveness of existing controls, and recommending improvements. These activities provide reasonable assurance that the Group's internal control system remains sound and operates effectively.

Internal audit reviews are conducted with reference to the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control – Integrated Framework. Each review is undertaken by a team of 3 to 4 auditors, depending on the scope of the engagement. Internal audit reports and follow-up status updates are presented to the ARMC during its quarterly meetings.

The internal auditors are free from any relationships or conflicts of interest that could impair their objectivity and the independence of the internal audit function. They also do not hold any direct operational responsibilities or authority over the activities they audit. The ARMC is of the opinion that the internal audit function is effective and operates with an appropriate degree of independence.

The internal audit reviews conducted during FY2025 were as follows:

Audit Period	Reporting Month	Entity	Audited Areas
July 2024 to December 2024	February 2025	Sik Cheong Berhad	Financial Management
August 2024 to October 2024	May 2025	Sik Cheong Berhad	Production/Operations Management
January 2025 to March 2025			

Based on the internal audit reviews conducted, none of the weaknesses noted have resulted in material losses, contingencies, or uncertainties that require separate disclosure in this Annual Report.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

KEY ELEMENTS OF THE GROUP'S INTERNAL CONTROL SYSTEM

The Board recognises that while a sound system of internal control can reduce risks, it cannot eliminate the possibility of poor judgment in decision-making, human error, deliberate circumvention of controls, management override of controls, or unforeseen circumstances.

To ensure effective oversight, the Group's key senior management receives and reviews regular reports on key financial data, performance indicators, and regulatory matters. This process ensures that issues requiring the Board's attention are promptly highlighted for review, deliberation, and decision-making. The Board then approves appropriate responses or amendments to the Group's policies as necessary.

In addition, internal control matters are reviewed regularly, and the Board is updated on any significant control gaps for timely action. Operational issues and significant fluctuations or exceptions are also highlighted during Board meetings and addressed as appropriate.

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

- (i) Clearly defined organisational structure with established lines of responsibility, authority, and accountability.
- (ii) Formalised and documented policies and procedures for key business processes, with ongoing review and continuous improvement.
- (iii) Quarterly Board meetings and periodic management meetings are held to review financial and operational performance.
- (iv) Training and development are provided to employees, as needed, to enhance knowledge and competency.
- (v) Regular preparation of management accounts and reports for monitoring actual performance.
- (vi) Board oversight at a strategic level in monitoring the performance of all subsidiary companies within the Group.
- (vii) The internal audit function conducts quarterly audits to assess the adequacy of the internal control system and monitor the effectiveness of operational and financial procedures. It also reviews and assesses key risks faced by the Group and reports directly to the ARMC.
- (viii) Regular internal audit visits are made to monitor compliance with policies and procedures, and to assess the integrity of financial and non-financial information.
- (ix) Follow-up visits by internal auditors to ensure proper implementation of agreed action plans by the respective process owners.
- (x) Implementation of an Anti-Bribery and Corruption Policy and a Whistleblowing Policy in compliance with the Listing Requirements on anti-corruption measures.

The Board remains committed to maintaining and continuously enhancing the Group's internal control system to safeguard stakeholders' interests and support the achievement of corporate objectives. The effectiveness of these controls, together with the Group's risk management framework, is subject to regular review by the Board and independent assurance by the external auditors.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

Pursuant to Rule 15.23 of the Listing Requirements, the external auditors have conducted a limited assurance engagement to review this Statement for inclusion in the Annual Report of the Group for FY2025. The review was conducted in accordance with the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised): *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*, and Audit and Assurance Practice Guide 3 ("AAPG 3"): *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control Included in the Annual Report* issued by the Malaysian Institute of Accountants.

AAPG 3 does not require the external auditors to consider whether this Statement covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems.

Based on the procedures performed, the external auditors have reported to the Board that nothing has come to their attention that causes them to believe that this Statement, intended to be included in the Annual Report, is not prepared, in all material respects, in accordance with the disclosures required by paragraphs 41 and 42 of the *Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers*, nor is it factually inaccurate.

CONCLUSION

The Board is of the view that the Group's risk management and internal control systems in place during the financial year under review, up to the date of approval of this Statement, were adequate and effective in safeguarding shareholders' investments, the Group's assets, and the interests of customers, regulators and employees.

The Board further confirms that there were no material losses incurred by the Group during FY2025 as a result of weaknesses in the Group's risk management and internal control systems. The Board remains committed to continuously assessing and strengthening the adequacy and effectiveness of the Group's risk management and internal control systems, as and when necessary.

This Statement was approved by the Board on 16 July 2025.

ADDITIONAL COMPLIANCE INFORMATION

1. MATERIAL CONTACTS / CONTRACTS RELATED TO LOAN INVOLVING DIRECTORS AND/OR MAJOR SHAREHOLDERS

Neither the Company nor its subsidiaries have entered into any contract which are or may be material (not being contracts entered into in the ordinary course of business / contracts related to loans) involving the Directors' and Major Shareholders' interests during FY2025.

2. RECURRENT RELATED PARTY TRANSACTION ("RRPT") OF A REVENUE OR TRADING NATURE / RELATED PARTY TRANSACTION ("RPT")

Save as disclosed below, there were no other RRPT of revenue or trading nature / RPT transacted by the Group during FY2025 that involved the interest of the Directors and major shareholders of the Company and/or person connected with them:

Related parties	Transacting company within the Group	Interested persons and nature of relationship	Nature of transaction	Total amount transacted for FY2025
Wong Hing Ngiap and Wong Hin Loong	Sik Cheong Edible Oil Sdn Bhd ("SCEO")	Wong Hing Ngiap and Wong Hin Loong are both the Executive Directors, promoters and major shareholders of the Company as well as directors of SCEO. Wong Hing Ngiap and Wong Hin Loong are also the directors and shareholders of Thrive Carrier Sdn Bhd, a major shareholder of the Company.	Rental expenses paid to Wong Hing Ngiap and Wong Hin Loong for unit No. 2B, Jalan 3/2 Kampung Tasek Tambahan, 68000 Ampang, Selangor which is used for hostel to house SCEO's workers.	RM4,400.00
Thrive Properties Sdn Bhd ("Thrive Properties")	SCEO	Wong Hing Ngiap and Wong Hin Loong are both the Executive Directors, promoters and major shareholders of the Company as well as directors of SCEO. Wong Hing Ngiap and Wong Hin Loong are also the directors and shareholders of Thrive Carrier Sdn Bhd, a major shareholder of the Company. Wong Hing Ngiap and Wong Hin Loong both are the directors and shareholders of Thrive Properties. Wong Cheng Li, a daughter to Wong Hin Loong is also a shareholder of Thrive Properties.	Rental expenses paid to Thrive Properties for unit No. 35-2C, Jalan 6/10, Kampung Tasek Tambahan, 68000 Ampang, Selangor which is used as hostel to house SCEO's workers.	RM8,400.00

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

2. RECURRENT RELATED PARTY TRANSACTION ("RRPT") OF A REVENUE OR TRADING NATURE / RELATED PARTY TRANSACTION ("RPT") (CONT'D)

Related parties	Transacting company within the Group	Interested persons and nature of relationship	Nature of transaction	Total amount transacted for FY2025
Thrive Properties	Sin Cheong Sales & Marketing Sdn Bhd ("SCSM")	<p>Wong Hing Ngiap and Wong Hin Loong both are the Executive Directors, promoters and major shareholders of the Company as well as directors of SCSM. Wong Hing Ngiap and Wong Hin Loong are also the directors and shareholders of Thrive Carrier Sdn Bhd, a major shareholder of the Company.</p> <p>Wong Hing Ngiap and Wong Hin Loong both are the directors and shareholders of Thrive Properties. Wong Cheng Li, a daughter to Wong Hin Loong is also a shareholder of Thrive Properties.</p>	Rental expenses paid to Thrive Properties for unit No. 33G, Jalan 6/10, Kampung Tasek Tambahan, 68000 Ampang, Selangor which is for lamp oil labelling line and storage for SCSM's operations.	RM30,000.00

The above transactions were disclosed in the Company's Prospectus dated 19 July 2024 in relation to the initial public offering ("IPO") of the Company for its listing on the ACE Market of Bursa Malaysia Securities Berhad on 13 August 2024. These transactions continued during FY2025.

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

3. UTILISATION OF PROCEEDS RAISED FROM CORPORATE EXERCISE

As at 30 June 2025, the Group have utilised approximately RM14.71 million from the total gross proceeds of RM17.82 million raised from the IPO. The details of the IPO proceeds are set out as follows:

Details of utilisation of proceeds	Gross proceeds RM'000	Actual utilisation RM'000	Reallocation RM'000	Balance of IPO proceeds unutilised RM'000	Estimated timeframe for utilisation from the listing
Expansion of the packaging facility	7,180	(4,502)	–	2,678	Within 18 months
Purchase of new delivery trucks	890	(454)	–	436	Within 12 months
Working capital	5,950	(6,359)	409	–	Within 12 months
Estimated listing expenses	3,800	(3,391)	(409) ⁽¹⁾	–	Within 3 months
Total	17,820	(14,706)	–	3,114	

Note:

(1) As the actual listing expenses were lower than the amount allocated, the excess has been reallocated to the Group's working capital.

4. AUDIT AND NON-AUDIT FEES

For FY2025, the amount of audit and non-audit fees paid/payable by the Company and the Group to the External Auditors and/or its affiliated corporations are as follows: -

Nature of Services	Company (RM'000)	Group (RM'000)
Audit	50	90
Non-Audit:		
Review of Statement on Risk Management and Internal Control	5	5

5. EMPLOYEE SHARE SCHEME

The Company did not establish any Employees Share Scheme during FY2025.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Board of Directors of the Company ("Board") are responsible to ensure that the financial statements are prepared in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of the financial performance and the cash flows of the Group and of the Company for the financial year then ended. The Directors are also responsible for keeping proper accounting records, safeguarding the assets of the Company and taking reasonable steps to prevent and enable detection of fraud and other irregularities.

In preparing the financial statements, the Directors have taken the necessary steps and actions as follows:

- (i) selecting suitable accounting policies and then applying them consistently. This is done through discussion with the current reporting auditor if there is any changes in the accounting standard that may affect the way of the financial statement is presented;
- (ii) stating whether applicable accounting standards have been followed;
- (iii) making judgments and estimates that are reasonable and prudent; and
- (iv) preparing the financial statements on a going concern basis, having made reasonable enquiries and assessment on the resources of the Company on its ability to continue further business in foreseeable future.



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DIRECTORS' REPORT

The directors of **SIK CHEONG BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company is that of investment holding.

The information on the name of subsidiary companies, place of incorporation and operation, principal activities and proportion of ownership interest and voting power held by the Company in each subsidiary company is as disclosed in Note 14 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
Profit/(Loss) before tax	2,419,961	(2,678,900)
Income tax expense	(1,330,673)	(3)
<hr/>		
Profit/(Loss) for the financial year attributable to owners of the Company	1,089,288	(2,678,903)
<hr/>		

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial period. The directors do not recommend any dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

DIRECTORS' REPORT (CONT'D)

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued ordinary shares from 100 ordinary shares to 266,000,000 ordinary shares by way of:

- (a) On 6 December 2023, the Company has entered into two conditional share sale agreements to acquire the entire equity interests in Sik Cheong Edible Oil Sdn. Bhd. ("SCEO") and Sin Cheong Sales & Marketing Sdn. Bhd. ("SCSM").

The conditional share sale agreements were executed for:

- (i) the acquisition by the Company of the entire equity interests in SCEO for a purchase consideration of RM19,449,982 which was satisfied via the issuance of 194,889,600 new shares at an issue price of RM0.0998 per share.
- (ii) the acquisition by the Company of the entire equity interests in SCSM for a purchase consideration of RM510,008 which was satisfied via the issuance of 5,110,300 new shares at an issue price of RM0.0998 per share.

The acquisitions of the above companies were completed on 20 May 2024 and accordingly, SCEO and SCSM became wholly owned subsidiary companies of the Company.

- (b) On 13 August 2024, the Company increased its issued ordinary share capital by way of allotment and issuance of 66,000,000 new ordinary shares at an issue price of RM0.27 per share for total cash consideration of RM17,820,000 pursuant to the Initial Public Offering ("IPO") of the Company on the ACE Market of Bursa Malaysia Securities Berhad.

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

The Company has not issued any new debentures during the financial year.

SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount written off as bad debts or the amount of allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; or
- (d) not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability 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 when they fall due.

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company in the financial year in which this report is made.

DIRECTORS' REPORT (CONT'D)

DIRECTORS

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

Wong Hing Ngiap *
Wong Hin Loong *
Abdul Razak Bin Dato' Haji Ipap
Keh Siew Hoon
Kok Yi Ling
Thong Kooi Pin

* Being the directors of the subsidiary companies in office during the financial year and during the period from the end of the financial year to the date of this report.

The directors of the subsidiary companies in office during the financial year and during the period from the end of the financial year to the date of this report which have not been disclosed above are:

Choo Wai Yeen
Wong Cheng Jian

DIRECTORS' INTERESTS

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

	As at 01.04.2024	Number of ordinary shares		As at 31.03.2025
		Bought	Sold	
Shares in the Company				
Direct Interests				
Wong Hing Ngiap	50	97,959,950	(10,000,000)	87,960,000
Wong Hin Loong	50	97,959,950	(10,000,000)	87,960,000
Abdul Razak Bin Dato' Haji Ipap	-	400,000	(400,000)	-
Keh Siew Hoon	-	400,000	-	400,000
Kok Yi Ling	-	450,000	(400,000)	50,000
Thong Kooi Pin	-	500,000	(400,000)	100,000
Indirect Interests				
Wong Hing Ngiap *	-	2,040,000	-	2,040,000
Wong Hin Loong ^	-	2,040,000	-	2,040,000

* Deemed interest by virtue of his spouse's shareholding in the Company pursuant to Section 8 of the Companies Act, 2016 in Malaysia.

^ Deemed interest by virtue of his son's shareholding in the Company pursuant to Section 8 of the Companies Act, 2016 in Malaysia.

By virtue of their interests in the shares of the Company, Mr. Wong Hing Ngiap and Mr. Wong Hin Loong are also deemed to have an interest in the shares of the subsidiary companies to the extent that the Company has an interest.

DIRECTORS' REPORT (CONT'D)

DIRECTORS' BENEFITS

Since the end of the previous financial period, none of the directors of the Company has received or become entitled to receive a benefit (other than the benefit included in the aggregate amount of emoluments received or due and receivable by the directors or the fixed salary of full-time employees of the Company as disclosed 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, other than as disclosed in Note 8 to the financial statements.

The details of the directors' remuneration of the Group and of the Company for the financial year are as follows:

	The Group RM	The Company RM
<u>Executive directors:</u>		
Salaries, bonus and other emoluments	812,696	536,696
Defined contribution plan	158,126	105,686
Social security contributions	2,094	1,460
Other employee benefits	17,422	17,422
Benefits-in-kind	58,663	6,370
	1,049,001	667,634
<u>Non-executive directors:</u>		
Directors' fees	140,000	140,000
	1,189,001	807,634

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby directors of the Company might acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

The Company maintains directors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016 in Malaysia throughout the financial year, which provides appropriate insurance cover for the directors and officers of the Company. The amount of insurance premium paid during the financial year amounted to RM2,573.

There was no indemnity given to or insurance effected for the auditors of the Company in accordance with Section 289 of the Companies Act, 2016 in Malaysia.

DIRECTORS' REPORT (CONT'D)

SIGNIFICANT EVENT

The details of the significant event are disclosed in Note 31 to the financial statements.

AUDITORS' REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for the financial year ended 31 March 2025 are as follows:

	The Group RM	The Company RM
Auditors' remuneration:		
Statutory audit	90,000	50,000
Non-audit services	5,000	5,000
	<hr/> 95,000	<hr/> 55,000

AUDITORS

The auditors, Morison LC PLT, have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

WONG HING NGIAP

WONG HIN LOONG

Kuala Lumpur,
16 July 2025

STATEMENT BY DIRECTORS

The directors of **SIK CHEONG BERHAD** state that, in their opinion, the accompanying financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025 and of their financial performance and their cash flows for the financial year then ended.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

WONG HING NGIAP

WONG HIN LOONG

Kuala Lumpur,
16 July 2025

STATUTORY DECLARATION

BY THE OFFICER PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **KARTIKA HAZNI BINTI ISKANDAR**, the officer primarily responsible for the financial management of **SIK CHEONG BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

KARTIKA HAZNI BINTI ISKANDAR
(MIA: 34751)

Subscribed and solemnly declared
by the abovenamed **KARTIKA HAZNI
BINTI ISKANDAR** at **KUALA LUMPUR**
on 16 July 2025.

Before me,

ZAINUL ABIDIN BIN AHMAD
(No. W790)
COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SIK CHEONG BERHAD (INCORPORATED IN MALAYSIA)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SIK CHEONG BERHAD**, which comprise the statements of financial position as at 31 March 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 85 to 134.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial 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.

Key audit matter	How the matter was addressed in the audit
<p>Revenue from sale of goods</p> <p>Refer to Notes 3 and 5 to the financial statements for the Group's disclosure on material accounting policy information on revenue recognition and related disclosures.</p> <p>The Group's revenue is primarily derived from the repackaging, marketing, and distribution of refined, bleached and deodorised ("RBD") palm olein oil products, as well as the trading of other oil products. For the financial year ended 31 March 2025, the Group recorded revenue of RM90,056,439, which represent the most significant item in the Group's financial statements.</p> <p>We determined revenue recognition as a key audit matter due to the large volume of manually processed sales transactions, which increases the inherent risk that revenue recorded may not be accurate or may not have occurred. This risk is further elevated by the materiality of revenue relative to the Group's financial statements.</p>	<p>Our audit procedures, amongst others, included the following:</p> <ol style="list-style-type: none"> 1. Obtained an understanding on the design and implementation of relevant controls pertaining to the recording of sales transactions. Performed procedures to evaluate the design and implementation and operating effectiveness of the relevant controls. 2. Understood the terms and conditions of sales transactions to identify events that lead to the transfer of control of finished goods to customers and ascertained whether the revenue recognition conforms with the requirements of MFRS 15 <i>Revenue from Contracts with Customers</i>. 3. Performed procedures to corroborate the occurrence of revenue recognised by testing selection of invoices and the corresponding proof of delivery to determine if revenue is recorded when control of goods had been transferred to customers. 4. Performed procedures to corroborate the accuracy of revenue recognised by tracing selection of invoices to collections received and agreed the sales amounts.

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial 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 report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Other Matters

- (a) The financial statements of the Company for the financial period 23 June 2023 (date of incorporation) to 31 March 2024 were audited by another auditor who expressed an unqualified opinion on these financial statements on 31 May 2024.
- (b) 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.

**MORISON LC PLT (AF 002469)
202206000028 (LLP0032572-LCA)
Chartered Accountants**

**KHOO TIEN SHING
03806/12/2025 J
Chartered Accountant**

Petaling Jaya
16 July 2025

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	Note	The Group		The Company	
		01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024* RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Revenue	5	90,056,439	79,583,304	640,000	–
Cost of sales		(78,701,767)	(66,852,627)	–	–
Gross profit		11,354,672	12,730,677	640,000	–
Other operating income		731,173	1,155,133	290,087	12
Selling and distribution costs		(542,794)	(502,306)	–	–
Administrative expenses		(9,109,307)	(5,439,971)	(3,604,474)	(35,024)
Impairment loss on trade receivables		(9,600)	–	–	–
Profit/(Loss) from operations		2,424,144	7,943,533	(2,674,387)	(35,012)
Finance costs	6	(4,183)	(5,989)	(4,513)	–
Profit/(Loss) before tax	7	2,419,961	7,937,544	(2,678,900)	(35,012)
Income tax expense	9	(1,330,673)	(1,608,568)	(3)	–
Profit/(Loss) for the financial year/period, representing total comprehensive income/(loss) for the financial year/period		1,089,288	6,328,976	(2,678,903)	(35,012)
Profit/(Loss) for the financial year/period, representing total comprehensive income/(loss) attributable to:					
Owners of the Company		1,089,288	6,328,976	(2,678,903)	(35,012)
Earnings per ordinary share attributable to owners of the Company (sen):					
Basic	10	0.41	2.38		
Diluted	10	0.41	2.38		

Note:

* As disclosed in Note 2 to the financial statements, the comparative figures in the Group's financial statements are presented as if the combination of entities under common control had occurred before the start of the earliest period presented, i.e. 1 April 2023 for the financial year ended 31 March 2024.

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2025

	Note	The Group		The Company	
		2025 RM	2024* RM	2025 RM	2024 RM
ASSETS					
Non-Current Assets					
Property, plant and equipment	11	16,870,515	14,329,599	11,623	–
Right-of-use assets	12	57,297	132,372	130,870	–
Investment properties	13	200,000	203,000	–	–
Investment in subsidiary companies	14	–	–	19,959,990	–
Total Non-Current Assets		17,127,812	14,664,971	20,102,483	–
Current Assets					
Inventories	15	1,509,508	1,206,112	–	–
Trade receivables	16	7,322,036	6,055,411	–	–
Other receivables, deposits and prepayments	17	1,104,467	2,954,709	14,000	1,271,419
Tax recoverable		51,806	101,207	–	–
Cash and cash equivalents	18	19,780,352	6,840,747	14,153,870	82,537
Total Current Assets		29,768,169	17,158,186	14,167,870	1,353,956
Total Assets		46,895,981	31,823,157	34,270,353	1,353,956

STATEMENTS OF FINANCIAL POSITION (CONT'D)

	Note	The Group		The Company	
		2025 RM	2024* RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Capital and Reserves					
Share capital	19	36,646,599	100	36,646,599	100
Invested equity	19	–	420,000	–	–
Merger deficit	20	(19,539,990)	–	–	–
Retained earnings/ (Accumulated losses)		26,962,117	25,872,829	(2,713,915)	(35,012)
Total Equity		44,068,726	26,292,929	33,932,684	(34,912)
Non-Current Liabilities					
Lease liabilities	21	18,956	79,490	77,544	–
Deferred tax liabilities	22	180,500	243,551	–	–
Total Non-Current Liabilities		199,456	323,041	77,544	–
Current Liabilities					
Trade payables	23	940,354	784,735	–	–
Other payables	24	1,467,347	4,055,451	204,894	2,500
Amount owing to a related party	26	–	–	–	1,386,368
Lease liabilities	21	41,413	56,319	55,231	–
Tax liabilities		178,685	310,682	–	–
Total Current Liabilities		2,627,799	5,207,187	260,125	1,388,868
Total Liabilities		2,827,255	5,530,228	337,669	1,388,868
Total Equity and Liabilities		46,895,981	31,823,157	34,270,353	1,353,956

Note:

* As disclosed in Note 2 to the financial statements, the comparative figures in the Group's financial statements are presented as if the combination of entities under common control had occurred before the start of the earliest period presented, i.e. 1 April 2023 for the financial year ended 31 March 2024.

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

				The Group		
	Note	Share capital RM	Invested equity RM	Merger deficit RM	Distributable reserve - Retained earnings RM	Total equity RM
As at 1 April 2023		–	420,000	–	19,543,853	19,963,853
Profit for the financial year, representing total comprehensive income for the financial year		–	–	–	6,328,976	6,328,976
Issuance of shares		100	–	–	–	100
As at 31 March 2024		100	420,000	–	25,872,829	26,292,929
As at 1 April 2024		100	420,000	–	25,872,829	26,292,929
Profit for the financial year, representing total comprehensive income for the financial year		–	–	–	1,089,288	1,089,288
Effect of restructuring exercise	19	19,959,990	(420,000)	(19,539,990)	–	–
Issuance of shares	19	17,820,000	–	–	–	17,820,000
Shares issuance expenses	19	(1,133,491)	–	–	–	(1,133,491)
As at 31 March 2025		36,646,599	–	(19,539,990)	26,962,117	44,068,726

STATEMENTS OF CHANGES IN EQUITY (CONT'D)

	Note	Share capital RM	The Company Accumulated losses RM	Total equity RM
As at 23 June 2023 (date of incorporation)		100	–	100
Loss for the financial period, representing total comprehensive loss for the financial period		–	(35,012)	(35,012)
As at 31 March 2024		100	(35,012)	(34,912)
As at 1 April 2024		100	(35,012)	(34,912)
Loss for the financial year, representing total comprehensive loss for the financial year		–	(2,678,903)	(2,678,903)
Effect of restructuring exercise	19	19,959,990	–	19,959,990
Issuance of shares	19	17,820,000	–	17,820,000
Shares issuance expenses	19	(1,133,491)	–	(1,133,491)
As at 31 March 2025		36,646,599	(2,713,915)	33,932,684

Note:

- * As disclosed in Note 2 to the financial statements, the comparative figures in the Group's financial statements are presented as if the combination of entities under common control had occurred before the start of the earliest period presented, i.e. 1 April 2023 for the financial year ended 31 March 2024.

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

STATEMENTS OF CASH FLOWS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024* RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
CASH FLOWS FROM/ (USED IN) OPERATING ACTIVITIES				
Profit/(Loss) before tax	2,419,961	7,937,544	(2,678,900)	(35,012)
Adjustments for:				
Depreciation of property, plant and equipment	928,463	759,452	691	-
Amortisation of right-of use assets	48,414	135,072	37,392	-
Depreciation of investment properties	3,000	3,000	-	-
Interest expense	4,183	5,989	4,513	-
Property, plant and equipment written off	1,777	1,180	-	-
Bad debts written off	3,662	-	-	-
Impairment loss on trade receivables	9,600	-	-	-
Gain on disposal of property, plant and equipment	(21,239)	(678,516)	-	-
Gain on termination of lease contract	(562)	(584)	-	-
Interest income	(421,103)	(297,205)	(290,087)	(12)
Operating Profit/(Loss) Before Working Capital Changes	2,976,156	7,865,932	(2,926,391)	(35,024)
(Increase)/Decrease in:				
Inventories	(303,396)	(176,910)	-	-
Trade receivables	(1,279,887)	(1,123,940)	-	-
Other receivables, deposits and prepayments	1,850,242	(1,221,611)	1,257,419	(1,271,419)
Increase in:				
Trade payables	155,619	490,905	-	-
Other payables	861,896	69,015	202,394	2,500
Cash Generated From/ (Used In) Operations	4,260,630	5,903,391	(1,466,578)	(1,303,943)
Tax paid	(1,569,898)	(1,958,322)	(3)	-
Tax refunded	93,578	302,141	-	-
Net Cash From/(Used In) Operating Activities	2,784,310	4,247,210	(1,466,581)	(1,303,943)

STATEMENTS OF CASH FLOWS (CONT'D)

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024* RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
CASH FLOWS (USED IN)/ FROM INVESTING ACTIVITIES				
Proceeds from disposal of property, plant and equipment	23,000	703,700	-	-
Interest received	421,103	297,205	290,087	12
Decrease in amount owing by a related party	-	30,000	-	-
Additions to property, plant and equipment (Note 11)	(6,922,917)	(8,271,825)	(12,314)	-
Net Cash (Used In)/From Investing Activities	(6,478,814)	(7,240,920)	277,773	12
CASH FLOWS FROM/ (USED IN) FINANCING ACTIVITIES				
(Decrease)/Increase in amount owing to a related party	-	(4,000)	(1,386,368)	1,386,368
Dividend paid	-	(3,000,000)	-	-
Decrease in fixed deposits pledged	-	1,324,523	-	-
Issuance of shares	17,820,000	100	17,820,000	-
Shares issuance expenses	(1,133,491)	-	(1,133,491)	-
Interest paid	(4,183)	(5,989)	(4,513)	-
Repayment of lease liabilities	(48,217)	(137,713)	(35,487)	-
Net Cash From/(Used In) Financing Activities	16,634,109	(1,823,079)	15,260,141	1,386,368

STATEMENTS OF CASH FLOWS (CONT'D)

	Note	The Group		The Company	
		01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024* RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		12,939,605	(4,816,789)	14,071,333	82,437
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR/DATE OF INCORPORATION		6,840,747	11,657,536	82,537	100
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR/PERIOD	18	19,780,352	6,840,747	14,153,870	82,537

Note:

- * As disclosed in Note 2 to the financial statements, the comparative figures in the Group's financial statements are presented as if the combination of entities under common control had occurred before the start of the earliest period presented, i.e. 1 April 2023 for the financial year ended 31 March 2024.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia. On 13 August 2024, the entire enlarged issued share capital of the Company was listed on the ACE Market of Bursa Malaysia Securities Berhad.

The principal activity of the Company is that of investment holding.

The information on the name of subsidiary companies, place of incorporation and operation, principal activities and proportion of ownership interest and voting power held by the Company in each subsidiary company is as disclosed in Note 14.

The registered office of the Company is located at Level 5, Guoco Tower, 6 Jalan Damanlela, Damansara City, Bukit Damansara, 50490 Kuala Lumpur.

The principal place of business of the Company is located at No. 11, Jalan 6/14, Kampung Tasik Tambahan, 68000 Ampang, Selangor Darul Ehsan.

The financial statements of the Group and of the Company have been authorised by the Board of Directors for issuance on 16 July 2025.

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

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

This is the first financial statements on the consolidated results for the financial year ended 31 March 2025. The acquisition of subsidiary companies is a business combination under common control. Accordingly, the Group is regarded as a continuing entity and the merger method of accounting is applied. Under the merger method of accounting, the financial statements of the subsidiary companies are included in the consolidated financial statements as if the business combination had occurred from the earliest date presented and that the Group had operated as a single economic entity throughout the financial years presented in the consolidated financial statements.

Adoption of amendments to MFRSs

During the financial year, the Group and the Company have adopted the following applicable amendments to MFRSs issued by the Malaysian Accounting Standards Board ("MASB") that are effective for annual periods beginning on or after 1 April 2024 as follows:

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Arrangements

The adoption of these amendments to MFRSs did not result in significant changes in the accounting policies of the Group and of the Company and have no significant effect on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (CONT'D)

New MFRSs and amendments to MFRSs in issue but not yet effective

At the date of authorisation for issue of these financial statements, the new MFRSs and amendments to MFRSs which were in issue but are not yet effective and not early adopted by the Group and the Company are as listed below:

Amendments to MFRS 121	Lack of Exchangeability ¹
Amendments to MFRS 9 and MFRS 7	Classification and Measurement of Financial Instruments ²
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity ²
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards-Volume 11 ²
MFRS 18	Presentation and Disclosure in Financial Statements ³
MFRS 19	Subsidiaries without Public Accountability: Disclosures ³
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

¹ Effective for annual periods beginning on or after 1 January 2025.

² Effective for annual periods beginning on or after 1 January 2026.

³ Effective for annual periods beginning on or after 1 January 2027.

⁴ Effective deferred to a date to be determined and announced by MASB.

The directors anticipate that the abovementioned new MFRSs and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the adoption of these new MFRSs and amendments to MFRSs will have no material financial impact on the financial statements of the Group and of the Company in the period of initial application.

3. MATERIAL ACCOUNTING POLICY INFORMATION

Basis of Accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention, unless otherwise indicated in the material accounting policies stated below.

Functional and Presentation Currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Group's and the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest RM except when otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Basis of Consolidation - Merger Method

The Group account for its business combinations using merger method of accounting.

A business combination involving entities under common control is a business combination in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. The acquisition of the combining entities resulted in a business involving common control since the management of all the entities which took part in the acquisition were controlled by common directors and under common shareholders before and immediately after the acquisition, and accordingly the accounting treatment is outside the scope of MFRS 3.

Under the merger method of accounting, the results of the subsidiary companies are presented as if the merger had been effected throughout the current period. The assets and liabilities combined are accounted for based on the carrying amounts from the perspective of the common control shareholders at the date of transfer. The cost of investment in the Company's books is recorded at the nominal value of the shares received. The difference between the carrying value of the investment and the nominal value of the shares of the subsidiary companies is treated as a merger deficit or merger reserve as applicable.

Investment in Subsidiary Companies

Investment in unquoted shares of subsidiary companies, which is eliminated on consolidation, is stated in the Company's financial statements at cost less impairment losses.

Revenue and Other Income Recognition

(i) Sale of goods

The Group repackages, markets and distributes refined, bleached and deodorised ("RBD") palm olein oil products and trades other oil products. Revenue from sale of goods is recognised at a point in time when control of the goods has been transferred to the customers, generally on the delivery of goods. Revenue is measured at the fair value of the consideration received or receivable, net of discounts, rebates, returns and taxes collected on behalf of the government.

(ii) Service fees

Service fees from the provision of management services is recognised over time and on an accrual basis, by reference to the agreements entered into between the Company and its subsidiary companies.

(iii) Rental income

Rental income is accounted for on a straight-line basis over the lease terms.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Government Grants

Government grants which relate to an expense item is recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate and are deducted in reporting the related expense.

Employee Benefits

Short term employee benefits

Short term employee benefit obligations in respect of wages, salaries, social security contributions, annual bonuses, paid annual leave, sick leave and non-monetary benefits are recognised as an expense in the financial year where the employees have rendered their services to the Group and the Company.

Defined contribution plan

The Group and the Company make contributions to the Employees Provident Fund ("EPF") and contributions are charged to profit or loss. Once the contributions have been paid, there are no further payment obligations. The approved provident fund is a defined contribution plan.

Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

Capital work-in-progress consists of expenditure incurred on construction of property, plant and equipment which are not ready for use. Upon completion of construction, the cost will be reclassified to the respective property, plant and equipment and depreciated according to the depreciation policy of the Group.

Depreciation

Except for capital work-in-progress, property, plant and equipment are depreciated on a straight-line basis by allocating their depreciable amounts over their estimated useful lives. The principal annual depreciation rates are as follows:

Leasehold lands	Remaining lease period
Leasehold buildings	2%
Furniture and fittings	20%
Motor vehicles	20%
Office equipment	10% - 20%
Plant and machinery	20%
Renovation and signboards	20%
Computers	20%
Tool and equipment	20%

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Leases

The Group and the Company present right-of-use assets in Note 12 and lease liabilities as separate lines in Note 21.

Lessee accounting

The Group and the Company recognise a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are initially measured at cost less any accumulated depreciation and accumulated impairment losses, and adjusted for any remeasurement of the lease liabilities. Depreciation is computed on a straight-line basis over the lease period.

Lessor accounting

The Group and the Company recognise lease payments received from rental under operating leases as income on a straight-line basis over the lease term as part of other operating income.

Short term leases and leases of low value assets

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 as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Low value assets are those assets valued at less than RM15,000 each when purchased new.

Investment Properties

Recognition and measurement

Investment properties are measured at cost less accumulated depreciation and any impairment losses.

Depreciation

Investment properties are depreciated on a straight-line basis to write down the cost of each asset to their residual values over their estimated useful lives. The principal annual depreciation rates are:

Leasehold land	Remaining lease period
Buildings	2%

Inventories

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

Inventories comprise cost of purchase and other costs incurred in bringing it to their present location and condition are determined on a first-in-first-out basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Instruments

Financial assets and financial liabilities are recognised in the statements of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Except for the trade receivables that do not contain a significant financing component or for which the Group and the Company have applied the practical expedient, the financial instruments are recognised initially at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset and financial liability. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under MFRS 15.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group and the Company may irrevocably designate a debt investment that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Instruments (Cont'd)

Financial assets (Cont'd)

Classification of financial assets (Cont'd)

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit impaired financial assets (i.e. assets that are credit impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit impaired.

(ii) Financial assets designated at FVTOCI

The Group and the Company may make an irrevocable election (on an instrument by instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- it is part of a portfolio of identified financial instruments that the Group and the Company manages together and has evidence of a recent actual pattern of short term profit taking; or
- it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs.

Subsequently, they are measured at fair value, with gains and losses from changes in fair value recognised in other comprehensive income and accumulated in the fair value adjustment reserve within equity. Upon disposal, the cumulative gains or losses previously recognised in other comprehensive income are transferred to retained earnings. Dividends on these investments in equity instruments are recognised in profit or loss in accordance with MFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Financial Instruments (Cont'd)

Financial assets

Classification of financial assets (Cont'd)

(iii) Financial assets at FVTPL

Unless the Group and the Company designates investments in equity instruments as FVTOCI, all other equity investments are designated as FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship.

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, and financial guarantee contracts issued by the Group and the Company, are measured in accordance with the specific accounting policies set out below.

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, including derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities designated into this category upon initial recognition.

Subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value with the gain or loss recognised in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in MFRS 9 *Financial Instruments* are satisfied.

(ii) Financial liabilities measured at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are initially recognised at fair value and subsequently are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Group and the Company derecognises financial liabilities when, and only when, the Group and the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Impairment of Non-Financial Assets

The carrying amounts of non-financial assets (except for inventories) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the Group and the Company make an estimate of the asset's recoverable amount.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of non-financial assets or cash-generating units ("CGUs").

The recoverable amount of an asset or a CGU is the higher of its fair value less costs of disposal and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. In determining the fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where the carrying amount of an asset exceed its recoverable amount, the carrying amount of asset is reduced to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss, except for assets that were previously revalued with the revaluation surplus recognised in other comprehensive income. In the latter case, the impairment is recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. An impairment loss is reversed only if there has been a change in the estimates used to determine the assets recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

Impairment of Financial Assets

Financial assets measured at amortised cost will be subject to the impairment requirement in MFRS 9 which is related to the accounting for expected credit losses on the financial assets. Expected credit loss is the weighted average of credit losses with the respective risks of a default occurring as the weight.

For trade receivables, the Group applies the simplified approach permitted by MFRS 9 to measure the loss allowance at an amount equal to lifetime expected credit losses.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Impairment of Financial Assets (Cont'd)

The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECL"). The ECL on trade receivables are estimated using the "Probability of Default" approach by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which debtors operate and an assessment of both the current as well as the forecast conditions at the reporting date.

The Group and the Company measure loss allowance at an amount equal to lifetime expected credit loss, except for the following, which are measured as 12-month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's and the Company's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unable to pay its credit obligations to the Group in full, without taking into account any credit enhancements held by the Group; or
- the contractual payment of the financial asset is more than 90 days past due unless the Group have reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group are exposed to credit risk.

Expected credit losses are a probability-weighted estimate of credit losses (i.e. the present value of all cash shortfalls) over the expected life of the financial instrument. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

Expected credit losses are discounted at the effective interest rate of the financial assets.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

Impairment of Financial Assets (Cont'd)

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired include observable data about the following events:

- significant financial difficulty of the issuer or the debtor; or
- a breach of contract, such as a default of past due event; or
- the lender(s) of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, having granted to the debtor a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

The amount of expected credit losses (or reversal) shall be recognised in profit or loss, as an impairment gain or loss.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or source of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedure for recovery of amounts due.

Statements of Cash Flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows. Cash and cash equivalents comprise of cash in hand and bank balances, deposits with licensed banks and other short-term, highly liquid investments, highly liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant risk of changes in value.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, which are described in Note 3 above, the directors are of the opinion that there are no instances of application of judgements that are expected to have significant effect on the amounts recognised in the financial statements.

(b) Key sources of estimation uncertainty

The directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. REVENUE

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Revenue from contracts with customers:				
Sale of goods	90,056,439	79,583,304	–	–
Service fees	–	–	640,000	–
	90,056,439	79,583,304	640,000	–
Timing of revenue recognition:				
At a point in time	90,056,439	79,583,304	–	–
Over time	–	–	640,000	–
	90,056,439	79,583,304	640,000	–

6. FINANCE COSTS

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Interest expenses on lease liabilities	4,183	5,989	4,513	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. PROFIT/(LOSS) BEFORE TAX

(Profit)/Loss before tax is determined after charging/(crediting), amongst other, the following items:

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Auditors' remuneration:				
Statutory audit	90,000	51,500	50,000	1,500
Non-audit services	5,000	–	5,000	–
Staff costs (Note 8)	5,541,814	4,431,375	1,068,098	–
Listing expenses	2,258,165	–	2,258,165	–
Depreciation of property, plant and equipment	928,463	759,452	691	–
Amortisation of right-of-use assets	48,414	135,072	37,392	–
Depreciation of investment properties	3,000	3,000	–	–
Impairment loss on trade receivables	9,600	–	–	–
Bad debts written off	3,662	–	–	–
Property, plant and equipment written off	1,777	1,180	–	–
Rental expenses relating to short-term lease	1,200	2,650	–	–
Incorporation fee	–	–	–	6,025
Gain on termination of lease contract	(562)	(584)	–	–
Gain on disposal of property, plant and equipment	(21,239)	(678,516)	–	–
Rental income	(243,374)	(100,120)	–	–
Interest income	(421,103)	(297,205)	(290,087)	(12)
Government subsidies	(5,181,028)	(5,116,793)	–	–

Government subsidies which are recognised in cost of sales represent subsidies received and receivable from the Government by a subsidiary company under the Cooking Oil Price Stabilisation Scheme ("COSS") and Program Mekanisme Kawalan Harga Minyak Masak ("MKHMM").

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. STAFF COSTS

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Directors' fees	140,000	–	140,000	–
Salaries, wages and other emoluments	4,532,527	3,727,449	753,174	–
Defined contribution plan	588,292	478,997	147,005	–
Social security contributions	54,331	45,627	2,697	–
Other employee benefits	161,555	121,105	18,559	–
Benefits-in-kind	65,109	61,647	6,663	–
Wages subsidy	–	(3,450)	–	–
	5,541,814	4,431,375	1,068,098	–

Included in staff costs is the aggregate amount of remuneration received and receivable by the directors and key management personnel of the Group and of the Company as shown below:

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Directors				
Executive directors:				
Salaries, bonus and other emoluments	812,696	605,599	536,696	–
Defined contribution plan	158,126	115,115	105,686	–
Social security contributions	2,094	2,168	1,460	–
Other employee benefits	17,422	–	17,422	–
Benefits-in-kind	58,663	56,390	6,370	–
	1,049,001	779,272	667,634	–
Non-executive directors:				
Directors' fees	140,000	–	140,000	–
	1,189,001	779,272	807,634	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

8. STAFF COSTS (CONT'D)

Included in staff costs is the aggregate amount of remuneration received and receivable by the directors and key management personnel of the Group and of the Company as shown below: (Cont'd)

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Key management personnel ^				
Salaries, bonus and other emoluments	676,159	641,431	216,478	-
Defined contribution plan	104,486	96,613	41,319	-
Social security contributions	4,259	3,505	1,237	-
Other employee benefits	1,137	-	1,137	-
Benefits-in-kind	6,446	5,257	293	-
	792,487	746,806	260,464	-

^ Key management personnel include director of a subsidiary company

9. INCOME TAX EXPENSE

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Estimated tax payable:				
Current financial year	1,323,720	1,666,701	-	-
Under/(Over)provision in prior years	70,004	(114,866)	3	-
	1,393,724	1,551,835	3	-
Deferred tax (Note 22):				
Current financial year	(67,062)	102,758	-	-
Under/(Over)provision in prior years	4,011	(46,025)	-	-
	(63,051)	56,733	-	-
	1,330,673	1,608,568	3	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense/(credit) applicable to profit/(loss) before tax at the statutory tax rate to the income tax expense at the effective income tax rate of the Group and of the Company are as follows:

	The Group		The Company	
	01.04.2024 to 31.03.2025 RM	01.04.2023 to 31.03.2024 RM	01.04.2024 to 31.03.2025 RM	23.06.2023 to 31.03.2024 RM
Profit/(Loss) before tax	2,419,961	7,937,544	(2,678,900)	(35,012)
Taxation at statutory tax rate of 24% (2024: 24%)	580,790	1,905,011	(642,936)	(8,403)
Effect of differential tax rate for first RM150,000 at 15%	–	(13,500)	–	–
Effect of differential tax rate on next RM450,000 at 17%	–	(27,456)	–	–
Tax effects of:				
Non-deductible expenses	729,472	57,394	642,936	8,403
Non-taxable income	(53,604)	(151,990)	–	–
Under/(Over)provision in prior years:				
Estimated tax payable	70,004	(114,866)	3	–
Deferred tax	4,011	(46,025)	–	–
	1,330,673	1,608,568	3	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. EARNINGS PER SHARE

Basic

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

	The Group	
	2025	2024
	RM	RM
Profit for the financial year attributable to owners of the Company	1,089,288	6,328,976
Weighted average number of ordinary shares (unit)*	266,000,000	266,000,000
Basic earnings per ordinary share (sen)	0.41	2.38

* In the calculation of earnings per share for the financial year ended 31 March 2024, it is assumed that 266,000,000 ordinary shares were in issue as the acquisition of subsidiary companies was accounted for under the merger method of accounting.

Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share because there are no potentially dilutive instruments in existence at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT

The Group	Leasehold lands and buildings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation and signboards RM	Computers RM	Tools and equipment RM	Capital work-in-progress RM	Total RM
Cost										
At 1 April 2024	13,028,569	420,391	3,275,629	388,866	2,066,352	420,410	121,009	421,951	37,730	20,180,907
Additions	155,566	-	296,485	2,966	35,000	12,510	14,190	21,278	2,934,922	3,472,917
Disposal	-	-	(53,000)	-	-	-	-	-	-	(53,000)
Write offs	-	(2,938)	-	(6,637)	(6,750)	-	(1,507)	(101,893)	-	(119,725)
At 31 March 2025	13,184,135	417,453	3,519,114	385,195	2,094,602	432,920	133,692	341,336	2,972,652	23,481,099
Accumulated depreciation										
At 1 April 2024	541,649	246,301	2,195,385	270,919	1,884,767	286,916	69,113	356,258	-	5,851,308
Charge for the financial year	215,127	42,072	491,617	21,778	70,485	39,972	17,483	29,929	-	928,463
Disposal	-	-	(51,239)	-	-	-	-	-	-	(51,239)
Write offs	-	(2,907)	-	(5,204)	(6,699)	-	(1,262)	(101,876)	-	(117,948)
At 31 March 2025	756,776	285,466	2,635,763	287,493	1,948,553	326,888	85,334	284,311	-	6,610,584
Carrying amount										
At 31 March 2025	12,427,359	131,987	883,351	97,702	146,049	106,032	48,358	57,025	2,972,652	16,870,515

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	Leasehold lands and buildings RM	Furniture and fittings RM	Motor vehicles RM	Office equipment RM	Plant and machinery RM	Renovation and signboards RM	Computers RM	Tools and equipment RM	Capital work-in-progress RM	Total RM
Cost										
At 1 April 2023	-	226,317	5,044,867	341,123	1,998,903	372,941	103,118	384,416	-	8,471,685
Additions	10,943,504	194,074	286,190	58,707	96,949	47,469	17,891	39,311	37,730	11,721,825
Disposals	-	-	(2,055,428)	-	(29,500)	-	-	-	-	(2,084,928)
Write offs	-	-	-	(10,964)	-	-	-	(1,776)	-	(12,740)
Transfer from investment properties	2,085,065	-	-	-	-	-	-	-	-	2,085,065
At 31 March 2024	13,028,569	420,391	3,275,629	388,866	2,066,352	420,410	121,009	421,951	37,730	20,180,907
Accumulated depreciation										
At 1 April 2023	-	212,155	3,769,357	257,669	1,833,248	251,882	53,945	334,340	-	6,712,596
Charge for the financial year	91,085	34,146	456,273	23,035	81,018	35,034	15,168	23,693	-	759,452
Disposals	-	-	(2,030,245)	-	(29,499)	-	-	-	-	(2,059,744)
Write offs	-	-	-	(9,785)	-	-	-	(1,775)	-	(11,560)
Transfer from investment properties	450,564	-	-	-	-	-	-	-	-	450,564
At 31 March 2024	541,649	246,301	2,195,385	270,919	1,884,767	286,916	69,113	356,258	-	5,851,308
Carrying amount										
At 31 March 2024	12,486,920	174,090	1,080,244	117,947	181,585	133,494	51,896	65,693	37,730	14,329,599

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Company	Signboard RM	Computer RM	Total RM
Cost			
At 23 June 2023/31 March 2024/1 April 2024	–	–	–
Additions	7,800	4,514	12,314
At 31 March 2025	7,800	4,514	12,314
Accumulated depreciation			
At 23 June 2023/31 March 2024/1 April 2024	–	–	–
Charge for the financial year	390	301	691
At 31 March 2025	390	301	691
Carrying amount			
At 31 March 2024	–	–	–
At 31 March 2025	7,410	4,213	11,623

The aggregate additional costs for property, plant and equipment of the Group and of the Company acquired during the financial year were through the following:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Aggregate additional costs	3,472,917	11,721,825	12,314	–
Cash paid in respect of prior year acquisition	3,450,000	–	–	–
In arrears to other payables	–	(3,450,000)	–	–
Cash payments	6,922,917	8,271,825	12,314	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

12. RIGHT-OF-USE ASSETS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Buildings				
Cost				
At 1 April	258,479	526,971	-	-
Additions	-	18,342	168,262	-
Modification of lease contract	-	100,053	-	-
Termination of lease contract	(40,263)	(386,887)	-	-
At 31 March	218,216	258,479	168,262	-
Accumulated amortisation				
At 1 April	126,107	366,543	-	-
Charge for the financial year	48,414	135,072	37,392	-
Termination of lease contract	(13,602)	(375,508)	-	-
At 31 March	160,919	126,107	37,392	-
Carrying amount				
At 31 March	57,297	132,372	130,870	-

The aggregate additional costs for right-of-use assets of the Group and of the Company during the financial year acquired under lease financing are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Aggregate additional costs	-	18,342	168,262	-
Less: Lease financing	-	(18,342)	(168,262)	-
Cash payments	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. INVESTMENT PROPERTIES

	The Group	
	2025 RM	2024 RM
Leasehold land and buildings		
Cost		
At 1 April	246,000	2,331,065
Transfer to property, plant and equipment	–	(2,085,065)
At 31 March	246,000	246,000
Accumulated depreciation		
At 1 April	43,000	490,564
Charge for the financial year	3,000	3,000
Transfer to property, plant and equipment	–	(450,564)
At 31 March	46,000	43,000
Carrying amount		
At 31 March	200,000	203,000
Fair value of investment properties	330,206	480,157

(a) Fair value basis of investment properties

Investment properties are stated at cost. The fair value of the investment properties of the Group were estimated by the directors based on the latest transacted prices in the market of properties with similar conditions and location. The fair value of investment properties falls under Level 2 of the fair value hierarchy.

There are no transfers between levels of the fair value hierarchy during the financial year.

(b) Income and expenses recognised in profit or loss

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

	The Group	
	2025 RM	2024 RM
Rental income	25,830	25,200
Direct operating expenses	2,277	1,942

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. INVESTMENT IN SUBSIDIARY COMPANIES

	The Company	
	2025 RM	2024 RM
Unquoted shares - at cost:		
At beginning of financial year	–	–
Additions during the financial year	19,959,990	–
At end of financial year	19,959,990	–

Details of the subsidiary companies are as follows:

Name	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Group		Principal activities
		2025 %	2024 %	
Sik Cheong Edible Oil Sdn. Bhd. ("SCEO")	Malaysia	100	–	Repackaging, marketing and distribution of edible oil and other food products.
Sin Cheong Sales & Marketing Sdn. Bhd. ("SCSM")	Malaysia	100	–	Distribution of lamp oil and other trading products.

Acquisition of subsidiary companies

On 6 December 2023, the Company has entered into two conditional share sale agreements to acquire the entire equity interests in SCEO and SCSM.

The conditional share sale agreements were executed for:

- (i) the acquisition by the Company of the entire equity interests in SCEO for a purchase consideration of RM19,449,982 which was satisfied via the issuance of 194,889,600 new shares at an issue price of RM0.0998 per share.
- (ii) the acquisition by the Company of the entire equity interests in SCSM for a purchase consideration of RM510,008 which was satisfied via the issuance of 5,110,300 new shares at an issue price of RM0.0998 per share.

The acquisitions of the above companies were completed on 20 May 2024 and accordingly, SCEO and SCSM became wholly owned subsidiary companies of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. INVENTORIES

	The Group	
	2025 RM	2024 RM
At cost:		
Packing materials	232,611	313,728
Raw materials	726,717	409,116
Finished goods	550,180	483,268
	1,509,508	1,206,112
Recognised in profit or loss:		
Inventories recognised as cost of sales	83,882,795	71,969,420

16. TRADE RECEIVABLES

	The Group	
	2025 RM	2024 RM
Trade receivables	7,331,636	6,055,411
Less: Allowance for impairment	(9,600)	–
Net	7,322,036	6,055,411

Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition. The credit period granted to customers of the Group ranges from 7 days to 60 days (2024: 30 days).

Impairment for trade receivables is recognised based on the simplified approach using the lifetime expected credit losses. The expected credit losses of the trade receivables are estimated using a roll rate method which incorporates the Group's historical credit loss experience, prevailing general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. TRADE RECEIVABLES (CONT'D)

The analysis of trade receivables at the end of the reporting period are as follows:

	The Group	
	2025	2024
	RM	RM
Neither past due nor impaired	5,132,992	4,410,224
Past due not impaired:		
Less than 30 days	1,774,254	1,389,724
31 to 60 days	319,677	167,863
61 to 90 days	62	23,595
More than 90 days	95,051	64,005
Total past due but not impaired	2,189,044	1,645,187
Past due and impaired:		
More than 90 days	9,600	-
	7,331,636	6,055,411

The loss allowance recognised as at 31 March 2025 is RM9,600 (2024: RMNil). The remaining amount not impaired are deemed recoverable because there has not been a significant change in credit quality. These customers are creditworthy with good payment records whom there is no history of default.

The movement of allowance for impairment during the financial year is as follows:

	The Group	
	2025	2024
	RM	RM
At beginning of financial year	-	-
Loss allowance recognised	9,600	-
At end of financial year	9,600	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Other receivables	(a)	1,040,237	1,480,928	–	–
Deposits		55,733	70,333	14,000	500
Prepayments	(b)	8,497	1,403,448	–	1,270,919
		1,104,467	2,954,709	14,000	1,271,419

- (a) Included in other receivables of the Group is an amount of RM1,013,421 (2024: RM1,341,430) receivable from Kementerian Perdagangan Dalam Negeri (Ministry of Domestic Trade and Cost of Living) in relation to the Cooking Oil Price Stabilisation Scheme ("COSS") and Program Mekanisme Kawalan Harga Minyak Masak ("MKHMM").
- (b) Included in prepayments of the Group and the Company in prior financial year comprised of prepayments for share issuance expenses amounting to RM1,270,919.

18. CASH AND CASH EQUIVALENTS

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At amortised cost:				
Cash and bank balances	1,922,503	2,213,207	914,997	82,537
Fixed deposits with licensed bank	–	40,687	–	–
At fair value through profit or loss:				
Cash management fund	17,857,849	4,586,853	13,238,873	–
	19,780,352	6,840,747	14,153,870	82,537

Cash management fund represents investments in fixed income funds issued by licensed fund management company in Malaysia. The funds allow redemption within one business day and are highly liquid money market instruments, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

The interest rates of fixed deposits of the Group in prior financial year ranges from 2.10% to 2.75% per annum and the maturities of fixed deposits was 365 days.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19. SHARE CAPITAL AND INVESTED EQUITY

Share capital

	Note	The Group and the Company			
		2025			2024
		Number of shares Units	Amount RM	Number of shares Units	Amount RM
Issued and fully paid:					
<u>Ordinary shares</u>					
At beginning of year/date of incorporation		100	100	100	100
Issuance of new shares:					
Effect of group restructuring exercise	(a)	199,999,900	19,959,990	-	-
Public issue	(b)	66,000,000	17,820,000	-	-
Shares issuance expenses	(c)	-	(1,133,491)	-	-
At end of year		266,000,000	36,646,599	100	100

- (a) On 6 December 2023, the Company has entered into two conditional share sale agreements to acquire the entire equity interests in SCEO and SCSM.

The conditional share sale agreements were executed for:

- (i) the acquisition by the Company of the entire equity interests in SCEO for a purchase consideration of RM19,449,982 which was satisfied via the issuance of 194,889,600 new ordinary shares of the Company at an issue price of RM0.0998 per share.
- (ii) the acquisition by the Company of the entire equity interests in SCSM for a purchase consideration of RM510,008 which was satisfied via the issuance of 5,110,300 new ordinary shares of the Company at an issue price of RM0.0998 per share.

The acquisitions of the above companies were completed on 20 May 2024 and accordingly, SCEO and SCSM became wholly owned subsidiary companies of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19. SHARE CAPITAL AND INVESTED EQUITY (CONT'D)

Share capital (Cont'd)

- (b) On 13 August 2024, the Company increased its issued ordinary share capital by way of issuance of 66,000,000 new ordinary shares at an issue price of RM0.27 each for total cash consideration of RM17,820,000 pursuant to the IPO of the Company on the ACE Market of Bursa Malaysia Securities Berhad.
- (c) The share issuance expenses comprise professional fees, brokerage fees, underwriting fees, placement fees, regulatory fees and other expenses incurred in connection with the issuance of new shares during the IPO.

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

Invested equity

	2025		The Group		2024	
	Number of shares Units	Amount RM	Number of shares Units	Amount RM	Number of shares Units	Amount RM
Issued and fully paid:						
Ordinary shares						
At beginning of year	420,000	420,000	420,000	420,000	420,000	420,000
Effect of restructuring	(420,000)	(420,000)	–	–	–	–
At end of year	–	–	420,000	420,000	420,000	420,000

Invested equity comprised of the issued share capital of SCEO comprising 400,000 ordinary shares amounting to RM400,000 and issued share capital of SCSM comprising 20,000 ordinary shares amounting to RM20,000 prior to restructuring.

20. MERGER DEFICIT

The merger deficit arose from the business combination of the Company and its subsidiary companies which was accounted for under the merger method of accounting principles. Under the merger method of accounting principles, the difference between the carrying value of the investment and the nominal value of the shares of subsidiary companies will be reflected within equity as merger deficit.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21. LEASE LIABILITIES

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
At 1 April	135,809	167,090	-	-
Additions	-	18,342	168,262	-
Modification of lease contract	-	100,053	-	-
Termination of lease contract	(27,223)	(11,963)	-	-
Interest expense	4,183	5,989	4,513	-
Payments of interest expense	(4,183)	(5,989)	(4,513)	-
Payments of principal	(48,217)	(137,713)	(35,487)	-
At 31 March	60,369	135,809	132,775	-
Presented as:				
Current	41,413	56,319	55,231	-
Non-current	18,956	79,490	77,544	-
	60,369	135,809	132,775	-

The maturity analysis of lease liabilities as at the end of the financial year:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Within one year	43,200	61,200	60,000	-
More than one year and less than two years	19,200	56,400	60,000	-
More than two years and less than five years	-	25,800	20,000	-
	62,400	143,400	140,000	-
Less: Future finance charges	(2,031)	(7,591)	(7,225)	-
Present value of lease liabilities	60,369	135,809	132,775	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21. LEASE LIABILITIES (CONT'D)

The Group and the Company leased buildings from few parties under non-cancellable leases. The tenure of these leases range between 2 to 3 years (2024: 2 to 3 years), with option to renew upon expiry.

The interest rates of the Group and of the Company for the lease liabilities at the reporting date ranges from 3.68% to 4.43% (2024: 3.68% to 4.43%) per annum.

Cash outflows for leases as a lessee are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Included in the net cash from operating activities:				
Payment relating to short-term leases	1,200	2,650	–	–
Included in the net cash used in financing activities:				
Payment of lease liabilities	48,217	137,713	35,487	–
Interest paid in relation to lease liabilities	4,183	5,989	4,513	–
Total cash outflows for leases	52,400	143,702	40,000	–

22. DEFERRED TAX LIABILITIES

	The Group	
	2025 RM	2024 RM
At 1 April	243,551	186,818
Recognised in profit or loss (Note 9)	(63,051)	56,733
At 31 March	180,500	243,551

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

22. DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax provided in the financial statements are in respect of the tax effects of the following:

Deferred tax asset

	Lease liabilities	
	2025 RM	2024 RM
At 1 April	27,633	37,390
Recognised in profit or loss	(13,145)	(9,757)
At 31 March (before offsetting)	14,488	27,633
Offsetting	(14,488)	(27,633)
At 31 March (after offsetting)	-	-

Deferred tax liabilities

	Accelerated capital allowances RM	Right-of-use assets RM	Total RM
2025			
At 1 April 2024	244,215	26,969	271,184
Recognised in profit or loss	(62,980)	(13,216)	(76,196)
At 31 March 2025 (before offsetting)	181,235	13,753	194,988
Offsetting	(735)	(13,753)	(14,488)
At 31 March 2025 (after offsetting)	180,500	-	180,500
2024			
At 1 April 2023	188,222	35,986	224,208
Recognised in profit or loss	55,993	(9,017)	46,976
At 31 March 2024 (before offsetting)	244,215	26,969	271,184
Offsetting	(664)	(26,969)	(27,633)
At 31 March 2024 (after offsetting)	243,551	-	243,551

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. TRADE PAYABLES

The normal trade credit terms granted to the Group is 30 days (2024: 30 days) depending on the terms of the contract.

24. OTHER PAYABLES

	Note	The Group		The Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Other payables		135,316	96,854	4,466	–
Accruals		575,117	428,454	200,428	2,500
Deposits received		51,491	80,143	–	–
Retention sum	(a)	705,423	–	–	–
Amount owing to directors	(b)	–	3,450,000	–	–
		1,467,347	4,055,451	204,894	2,500

- (a) At the end of the financial year, the Group has a retention sum owing to contractor in relation to the ongoing construction of property, plant and equipment, amounting to RM705,423 (2024: RMNil). The Group anticipated that RM705,423 will be repaid in the next 12 months and thus has been classified as current liabilities.
- (b) Amount owing to directors in prior financial year represent the remaining amount payable for the acquisition of a piece of 99-year leasehold land expiring on 28 January 2091, held under HSM 28329 PT 28103, Locality of Kampung Ampang Tasik Tambahan, Mukim of Empang, District of Hulu Langat and State of Selangor, measuring 18,067 square feet together with a corner lot of 2-storey semi-detached factory with mezzanine office bearing postal address No. 11, Jalan 6/14, Kampung Tasik Tambahan, 68000 Ampang, Selangor Darul Ehsan, being the Group's headquarters and main packaging facility, pursuant to the sale and purchase agreement entered into between Wong Hin Loong and Wong Hing Ngiap and SCEO with purchase consideration of RM10,500,000. This amount was unsecured, interest free and repayable based on the manner of payment as stated in the sales and purchase agreement. The amount had been fully repaid during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the liabilities of the Group and of the Company arising from financing activities, including both cash and non-cash changes:

The Group	At 1 April RM	Financing cash flows (i) RM	Non-cash changes (ii) RM	At 31 March RM
2025				
Lease liabilities	135,809	(48,217)	(27,223)	60,369
2024				
Dividend payable	3,000,000	(3,000,000)	–	–
Lease liabilities	167,090	(137,713)	106,432	135,809
	3,167,090	(3,137,713)	106,432	135,809

(i) The financing cash flows represent the payments of dividend and lease liabilities in the statements of cash flows.

(ii) Non-cash changes include additions and modification to lease liabilities and termination of lease contract.

The Company	At 1 April 2024 RM	Financing cash flows (i) RM	Non-cash changes (ii) RM	At 31 March 2025 RM
2025				
Amount owing to a related party	1,386,368	(1,386,368)	–	–
Lease liabilities	–	(35,487)	168,262	132,775
	1,386,368	(1,421,855)	168,262	132,775
2024				
Amount owing to a related party	–	1,386,368	–	1,386,368

(i) The financing cash flows represent the net amount of proceeds or repayments of amount owing to a related party and lease liabilities in the statements of cash flows.

(ii) Non-cash changes include additions to lease liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. RELATED PARTY DISCLOSURES

(a) Identify related parties

For the purposes of these financial statements, parties are considered to be related to the Group and to the Company if the Group and the Company have the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and 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 and of the Company either directly or indirectly. The key management personnel comprise the directors and management personnel of the Group and of the Company, having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company directly or indirectly.

(b) Significant related party transactions and balances

Related party transactions have been entered into in the normal course of business under negotiated terms. In addition to the related party balances disclosed elsewhere in the financial statements, the significant related party transactions of the Group and of the Company are as follows:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Transactions with a related party				
Insurance commission collected	-	8,667	-	-
Rental paid and payable	(38,400)	(33,300)	-	-
Transactions with subsidiary companies				
Service fees received and receivable	-	-	640,000	-
Rental paid and payable	-	-	(40,000)	-
Transactions with Directors				
Acquisition of property	-	(10,500,000)	-	-
Insurance commission collected	-	20,248	-	-
Rental paid and payable	(4,400)	(105,600)	-	-

Amount owing to a related party in prior year represent unsecured advances, was non-interest bearing and repayable on demand.

(c) Compensation of key management personnel

The payment for key management personnel compensation during the financial year is disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS

Categories of financial instruments

The following table analyses the financial assets and liabilities in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	The Group		The Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets				
<u>At amortised cost:</u>				
Trade receivables	7,322,036	6,055,411	–	–
Other receivables and deposits	1,095,970	1,551,261	14,000	500
Fixed deposits with licensed bank	–	40,687	–	–
Cash and bank balances	2,420,515	2,213,207	914,997	82,537
<u>At fair value through profit or loss:</u>				
Cash management fund	17,359,837	4,586,853	13,238,873	–
<hr/>				
Financial liabilities				
<u>At amortised cost:</u>				
Trade payables	940,354	784,735	–	–
Other payables	1,467,347	4,055,451	204,894	2,500
Amount owing to a related party	–	–	–	1,386,368
Lease liabilities	60,369	135,809	132,775	–

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies

The Group's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's operations whilst managing its financial risks, including credit risk, liquidity risk and market risk. The Group operates within clearly defined guidelines that are approved by the Board and the Group's policy is not to engage in speculative transactions.

The following section provides details regarding the Group's and the Company's exposure to the above-mentioned financial risk and the objectives, policies and processes for the management of this risk.

(i) Credit risk

Credit risk is the risk of financial loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and the Company are exposed to the credit risk arises primarily from trade and other receivables. For cash and bank balances, fixed deposits with licensed banks and cash management fund, the Group and the Company minimise credit risk by dealing exclusively with high credit rating financial institutions.

The Group's and the Company's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group and the Company trade only with recognised and creditworthy third parties. In addition, receivables balances are monitored on an on-going basis with the result that the Group's and the Company's exposure to bad debt is not significant.

Trade receivables

At the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amount in the statements of financial position.

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

At the end of the reporting period, the Group has no significant concentration of credit risk that may arise from exposure to a single debtor or a group of debtors.

The Group applies the simplified approach to providing for impairment losses prescribed by MFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables. To measure the impairment losses, trade receivables have been grouped based on the days past due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Other receivables and other financial assets

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

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

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

At the end of the reporting period, the Group and the Company consider the other receivables and other financial assets as low credit risk did not recognise any loss allowance for impairment for other receivables and other financial assets.

(ii) Liquidity risk

Liquidity risk refers to the risk that the Group and the Company will encounter difficulty in meeting their financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance their liquidity through internally generated cash flows and minimises liquidity risk by maintaining adequate reserves.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's non-derivative financial liabilities at the end of the reporting date based on contractual undiscounted repayment of obligations.

The Group	Contractual interest rate %	On demand or within 1 year RM	1 to 2 years RM	2 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
2025						
Non-interest bearing:						
Trade payables	-	940,354	-	-	940,354	940,354
Other payables	-	1,467,347	-	-	1,467,347	1,467,347
Interest bearing:						
Lease liabilities	3.68 - 4.43	43,200	19,200	-	62,400	60,369
		2,450,901	19,200	-	2,470,101	2,468,070
2024						
Non-interest bearing:						
Trade payables	-	784,735	-	-	784,735	784,735
Other payables	-	4,055,451	-	-	4,055,451	4,055,451
Interest bearing:						
Lease liabilities	3.68 - 4.43	61,200	56,400	25,800	143,400	135,809
		4,901,386	56,400	25,800	4,983,586	4,975,995

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(ii) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's non-derivative financial liabilities at the end of the reporting date based on contractual undiscounted repayment of obligations. (Cont'd)

The Company	Contractual interest rate %	On demand or within				2 to 5 years RM	Total contractual cash flows RM	Total carrying amount RM
		1 year RM	1 to 2 years RM					
2025								
Non-interest bearing:								
Other payables	-	204,894	-	-	-	204,894	204,894	204,894
Interest bearing:								
Lease liabilities	4.43	60,000	60,000	20,000	20,000	140,000	132,775	132,775
		264,894	60,000	20,000	20,000	344,894	337,669	337,669
2024								
Non-interest bearing:								
Other payables	-	2,500	-	-	-	2,500	2,500	2,500
Amount owing to a related party	-	1,386,368	-	-	-	1,386,368	1,386,368	1,386,368
		1,388,868	-	-	-	1,388,868	1,388,868	1,388,868

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

Financial risk management objectives and policies (Cont'd)

(iii) Market risk

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's investments in fixed deposits and cash management fund are not exposed to significant risk of change in their fair values as they are not affected by changes in interest rates. Hence, any changes in interest rate in the near term are not expected to have a significant impact on the Group's and the Company's financial performance. Accordingly, no sensitivity analysis is presented.

Fair value of financial instruments

The carrying amounts of short-term receivables and payables, cash and bank balances and fixed deposits with licensed bank approximate their fair values due to the relatively short maturity period of these financial instruments and insignificant impact of discounting.

The financial instruments carried at fair value, are categorised into Levels 1 to 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

27. FINANCIAL INSTRUMENTS (CONT'D)

Fair value of financial instruments (Cont'd)

The table analyses the financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy:

The Group	Fair value of financial instruments carried at fair value Level 2 RM	Total fair value RM	Carrying amount RM
2025			
Financial asset			
Cash management fund	17,857,849	17,857,849	17,857,849
2024			
Financial asset			
Cash management fund	4,586,853	4,586,853	4,586,853
The Company			
2025			
Financial asset			
Cash management fund	13,238,873	13,238,873	13,238,873

28. CAPITAL MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

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

The Group is not subjected to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. CAPITAL COMMITMENTS

At the end of the financial year, the Group has capital commitment in respect of the construction of property, plant and equipment as follows:

	The Group	
	2025 RM	2024 RM
Approved and contracted for:		
Property, plant and equipment	2,291,456	435,000

30. SEGMENT INFORMATION

Segmental information is primarily presented in respect of the Group's business segment which is based on the Group's management and internal reporting structure.

(a) Business segment

The principal activities of the Group are in a single industry segment of repacking, marketing and distribution of RBD palm olein oil products. The other segments are investment holding and trading of third-party products which is not of a sufficient size to be reported separately.

Management monitors the operating results of the Group as a whole for the purpose of making decisions about resource allocation and performance assessment. Accordingly, no segment information about Group's revenue, profit or loss, assets and liabilities are reported separately.

(b) Geographical segment

In determining the geographical segments of the Group, segment revenue is based on the geographical location of customers. Segment assets and segment capital expenditure are based on geographical location of assets. The geographical location of customers and assets are within Malaysia. As such, segmental reporting by geographical segment is deemed not necessary.

(c) Major customers

There is no significant concentration of revenue from any major customer as the revenue generated by the Group for the repackaging, marketing and distribution of RBD palm olein oil and other food products and the distribution of lamp oil and other trading products are from many customers.

31. SIGNIFICANT EVENT

Bursa Malaysia had on 9 May 2024 approved the admission of the Company to the Official list, and listing and quotation for the entire enlarged issued share capital on the ACE Market of Bursa Malaysia Securities Berhad.

The Company successfully completed the IPO and listing on the ACE Market of Bursa Malaysia Securities Berhad on 13 August 2024 by way of allotment and issuance of 66,000,000 new ordinary shares at an issue price of RM0.27 each for total proceeds of RM17,820,000, as mentioned in Note 19.

LIST OF PROPERTIES

AS AT 31 MARCH 2025

Description and address	Tenure and Existing use	Land Area	Estimated Age of Building	Date of Acquisition	NBV as at 31 March 2025 RM
Single-storey - semi-detached factory located at No. 9, Jalan 6/14, Kampung Tasik Tambahan, 68000 Ampang, Selangor	<p>Tenure Leasehold for 99 years, ending on 28 January 2091</p> <p>Existing use To be used for processing facility, to keep and supply edible oil as well as to be used as a management office</p>	<p>Land size Approximately 11,250 sq. ft</p> <p>Built-up area Approximately 18,040 sq. ft</p>	–	Yet to complete as the building still under construction	1,519,773
2-storey semi-detached factory with mezzanine floor located at No. 11, Jalan 6/14, Kampung Tasik Tambahan, 68000 Ampang, Selangor	<p>Tenure Leasehold for 99 years, ending on 28 January 2091</p> <p>Existing use Management office, packaging facility, distribution and storage of the RBD palm olein cooking oil supplies and products</p>	<p>Land size Approximately 18,067 sq. ft</p> <p>Built-up area Approximately 20,483.89 sq. ft</p>	33 years	16 May 2024	10,699,677
One (1) unit of apartment (under parcel number 100, Level 3, Building No A17) located at No 52-2D (Block A2) Jalan 6/9, Kampung Tasik Tambahan, 68000 Ampang, Selangor	<p>Tenure Leasehold for 99 years, ending on 28 January 2091</p> <p>Existing use Staff Accommodation</p>	<p>Master land size Approximately 1,650 sq. ft</p> <p>Built-up area Approximately 664.994 sq. ft</p>	23 years	31 May 2024	153,438

ANALYSIS OF SHAREHOLDINGS

AS AT 16 JULY 2025

Total Number of Issued Shares	:	266,000,000 Ordinary Shares
Class of Shares	:	Ordinary Shares
Voting Rights	:	One vote per ordinary share

DISTRIBUTION OF SHAREHOLDINGS

(As per Record of Depositors)

Size of Holdings	No. of Shareholders	%	No. of Shares Held	% ^(*)
1 - 99	0	0.000	0	0.000
100 - 1,000	163	8.269	82,200	0.030
1,001 - 10,000	855	43.378	5,102,100	1.918
10,001 - 100,000	791	40.131	30,614,700	11.509
100,001 - 13,299,999 ^(*)	159	8.066	54,281,000	20.406
13,300,000 and above ^(**)	3	0.152	175,920,000	66.135
Total	1,971	100.000	266,000,000	100.000

^(*) Less than 5% of issued shares.^(**) 5% and above of issued shares.

SUBSTANTIAL SHAREHOLDERS

(As per Register of Substantial Shareholders)

No.	Name of Shareholders	Direct Interest		Indirect Interest	
		No. of Shares	% ^(*)	No. of Shares	% ^(*)
1.	THRIVE CARRIER SDN. BHD.	106,400,000	40.000	—	—
2.	WONG HING NGIAP	34,760,000	13.067	108,440,000 ⁽¹⁾⁽³⁾	40.767
3.	WONG HIN LOONG	34,760,000	13.067	108,440,000 ⁽²⁾⁽³⁾	40.767

DIRECTORS' SHAREHOLDINGS

(As per Register of Directors' Shareholdings)

No.	Name of Directors	Direct Interest		Indirect Interest	
		No. of Shares	% ^(*)	No. of Shares	% ^(*)
1.	ABDUL RAZAK BIN DATO' HAJI IPAP	—	—	—	—
2.	WONG HING NGIAP	34,760,000	13.067	108,440,000 ⁽¹⁾⁽³⁾	40.767
3.	WONG HIN LOONG	34,760,000	13.067	108,440,000 ⁽²⁾⁽³⁾	40.767
4.	THONG KOOI PIN	100,000	0.037	—	—
5.	KEH SIEW HOON	400,000	0.150	—	—
6.	KOK YI LING	50,000	0.018	—	—

Notes:

^(*) Based on the issued share capital of 266,000,000 Shares.⁽¹⁾ Deemed interested by virtue of the interest of his spouse, Choo Wai Yeen pursuant to Section 8 of the Companies Act 2016⁽²⁾ Deemed interested by virtue of the interest of his son, Wong Cheng Jian pursuant to Section 8 of the Companies Act 2016⁽³⁾ Deemed interested by virtue of their interest in Thrive Carrier Sdn. Bhd. pursuant to Section 8 of the Companies Act 2016

ANALYSIS OF SHAREHOLDINGS (CONT'D)

LIST OF TOP 30 HOLDERS AS AT 16 JULY 2025

NO.	NAME	HOLDINGS	% ^(*)
1.	THRIVE CARRIER SDN. BHD.	106,400,000	40.000
2.	WONG HIN LOONG	34,760,000	13.067
3.	WONG HING NGIAP	34,760,000	13.067
4.	TAN KIM SEANG	2,150,000	0.808
5.	CHOO WAI YEEN	2,040,000	0.766
6.	WONG CHENG JIAN	2,040,000	0.766
7.	CHOO WING SING	1,980,000	0.744
8.	ZAINI BIN ZAINAL	1,320,700	0.496
9.	MOOMOO NOMINEES (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LEE CHEK FU	1,200,000	0.451
10.	WOON OOI FUEI	1,050,000	0.394
11.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR WONG XUN KUAN (MY4598)	1,000,000	0.375
12.	KOK CHIN KUEI	950,000	0.357
13.	TEOH CHEW SENG	950,000	0.357
14.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - KUEK FOOK HAI	905,000	0.340
15.	KOR KIM CHEONG	900,000	0.338
16.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR YONG YAW CHOONG	900,000	0.338
17.	LOW BAK CHUAN	800,000	0.300
18.	TANG CHYE LEE	800,000	0.300
19.	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. - PLEDGED SECURITIES ACCOUNT FOR LIM HENG CHUAN (ML00233)	798,200	0.300
20.	YAP SHANG RONG	700,000	0.263
21.	YONG SIEW NGEE	666,200	0.250
22.	KENANGA NOMINEES (TEMPATAN) SDN BHD - RAKUTEN TRADE SDN BHD FOR AZNI JAYA BIN MANSOR	660,400	0.248
23.	MAYBANK NOMINEES (TEMPATAN) SDN BHD - WAN TIMUN	647,300	0.243
24.	MAYBANK SECURITIES NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR TAN KANG WEI	600,000	0.225
25.	GOH SIAU HOK	590,000	0.221
26.	WU TAT SOO	561,000	0.210
27.	MUHAMMAD AIZAT BIN MD NOOR	550,000	0.206
28.	NOOR HADI BIN MISKUN	505,800	0.190
29.	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD - PLEDGED SECURITIES ACCOUNT FOR CHIAU THEAN BEE (7003315)	500,000	0.187
30.	CHENG KOON KAM	500,000	0.187
TOTAL		202,184,600	76.009

Note:

(*) Based on the issued share capital of 266,000,000 Shares.

NOTICE OF SECOND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Second Annual General Meeting (“2nd AGM”) of Sik Cheong Berhad (“the Company”) will be held at Indah Ballroom, Flamingo Hotel by the lake, Kuala Lumpur, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan on Thursday, 18 September 2025 at 10.00 a.m. or at any adjournment thereof to transact the following businesses:

AGENDA

Ordinary Business

1. To receive the Audited Financial Statements for the financial year ended 31 March 2025 together with the Directors’ and the Auditors’ Reports thereon. [Please refer to Explanatory Note 1]
2. To approve the Director’s fees of up to RM48,000 payable to Abdul Razak Bin Dato’ Haji Ipap, the Independent Non-Executive Chairman, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company. **Ordinary Resolution 1**
[Please refer to Explanatory Note 2]
3. To approve the Director’s fees of up to RM48,000 payable to Thong Kooi Pin, the Independent Non-Executive Director, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company. **Ordinary Resolution 2**
[Please refer to Explanatory Note 2]
4. To approve the Director’s fees of up to RM36,000 payable to Keh Siew Hoon, the Independent Non-Executive Director, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company. **Ordinary Resolution 3**
[Please refer to Explanatory Note 2]
5. To approve the Director’s fees of up to RM36,000 payable to Kok Yi Ling, the Independent Non-Executive Director, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company. **Ordinary Resolution 4**
[Please refer to Explanatory Note 2]
6. To re-elect Wong Hin Loong who is retiring pursuant to Clause 76(3) of the Constitution of the Company. **Ordinary Resolution 5**
[Please refer to Explanatory Note 3]
7. To re-elect Kok Yi Ling who is retiring pursuant to Clause 76(3) of the Constitution of the Company. **Ordinary Resolution 6**
[Please refer to Explanatory Note 3]
8. To re-appoint Messrs Morison LC PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. **Ordinary Resolution 7**
[Please refer to Explanatory Note 4]

NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

Special Business

To consider and, if thought fit, to pass with or without modifications, the following Ordinary Resolution:

9. AUTHORITY FOR THE DIRECTORS TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016

Ordinary Resolution 8
[Please refer to
Explanatory Note 5]

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 (“the Act”), the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) (“Listing Requirements”) and the approval of the relevant regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised to issue and allot shares in the capital of the Company, grant rights to subscribe for shares in the Company, convert any securities into shares in the Company, or allot shares under an agreement or option or offer (“New Shares”) from time to time, at such price, to such persons and for such purposes and upon such terms and conditions as the Board of Directors of the Company (“Board”) may in its absolute discretion deem fit, provided that the aggregate number of such New Shares to be issued, to be subscribed under any rights granted, to be issued from conversion of any security, or to be issued and allotted under an agreement or option or offer, pursuant to this resolution, when aggregated with the total number of any such shares issued during the preceding 12 months does not exceed 10% of the total number of issued shares (excluding any treasury shares) of the Company for the time being (“General Mandate”).

THAT such approval on the General Mandate shall continue to be in force until:

- (i) the conclusion of the next Annual General Meeting of the Company (“AGM”) held after the approval was given;
- (ii) the expiration of the period within which the next AGM is required to be held pursuant to the relevant provision in the Act after the approval was given; or
- (iii) revoked or varied by a resolution passed by the shareholders of the Company in a general meeting,

whichever is the earlier;

THAT the Directors of the Company be and are hereby also empowered to obtain the approval from Bursa Securities for the listing and quotation for such New Shares on the ACE Market of Bursa Securities.

THAT authority be and is hereby given to the Directors of the Company, to give effect to the General Mandate with full powers to assent to any conditions, modifications, variations and/or amendments as they may deem fit in the best interest of the Company and/or as may be imposed by the relevant authorities.

AND FURTHER THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the General Mandate.”

10. To transact any other business of which due notice shall have been given in accordance with the Companies Act 2016 and the Constitution of the Company.

NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

By Order of the Board

JOANNE TOH JOO ANN

SSM PC No. 202008001119 (LS 0008574)

KOOI EE LIN

SSM PC No. 201908001822 (MAICSA 7066158)

Company Secretaries

Kuala Lumpur

Dated: 31 July 2025

NOTES:-

1. *For the purpose of determining who shall be entitled to participate in this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 8 September 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote (collectively, "participate") on his/her/ its behalf.*
2. *A member entitled to participate at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her place. A proxy may but need not be a member of the Company.*
3. *A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.*
4. *Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), he/she may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.*
5. *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.*
6. *Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.*

NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

NOTES:- (CONT'D)

7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:-
 - (i) ***In hard copy form***
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.
 - (ii) ***By electronic form***
The Proxy Form can be electronically lodged with the Company's Share Registrar via TIIH Online at <https://tiih.online>. Please follow the procedures set out in the Administrative Guide for the 2nd AGM.
8. *Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.*
9. *For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:-*
 - (i) *If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.*
 - (ii) *If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:-*
 - (a) *at least two (2) authorised officers, of whom one shall be a director; or*
 - (b) *any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.*
10. *Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.*
11. *Last date and time for lodging the Proxy Form is Tuesday, 16 September 2025 at 10.00 a.m.*

NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

NOTES:- (CONT'D)

12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - (i) Identity card (NRIC) (Malaysian); or
 - (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
 - (iii) Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this General Meeting, please bring the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the Proxy Form if it has not been deposited at the Company's Share Registrar.
14. Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 2nd AGM.

Explanatory Notes on Ordinary Business and Special Business

1. **Agenda Item No. 1 – Audited Financial Statements for the Financial Year Ended 31 March 2025**

The Audited Financial Statements is meant for discussion only as a formal approval from shareholders is not required pursuant to the provision of Section 340(1)(a) of the Act. Hence, this item on the Agenda is not put forward for voting by shareholders of the Company.

2. **Ordinary Resolutions 1 to 4 – Ordinary Business Payment of Directors' Fees**

Pursuant to Section 230(1) of the Act, the fees of the directors, and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

The proposed Ordinary Resolutions 1 to 4 are to facilitate the payment of Directors' fees to the Non-Executive Directors for the period from 19 September 2025 until the date of the next AGM of the Company.

In the event the proposed amount is insufficient (e.g. due to new Director(s) is/are appointed after the 2nd AGM), approval for the payment of additional fees will be sought at the next AGM for the shortfall.

3. **Ordinary Resolutions 5 and 6 – Ordinary Business Re-election of Directors**

Pursuant to Clause 76(3) of the Constitution of the Company, Wong Hin Loong and Kok Yi Ling ("Retiring Directors") shall retire from office at the conclusion of the 2nd AGM and, being eligible, have offered themselves for re-election as Directors at the 2nd AGM.

The Board has through the Nomination Committee ("NC") considered the assessments of the Retiring Directors and agreed that they met the criteria as prescribed by Rule 2.20A of the Listing Requirements on character, experience, integrity, competence and time to effectively discharge their roles as Directors. The NC was satisfied with the outcome of the fit and proper assessments conducted on the Retiring Directors. The NC and the Board had also conducted an annual assessment on the independence of Kok Yi Ling, who is an Independent Non-Executive Director of the Company.

Please refer to the Statement Accompanying the Notice of AGM for more information.

NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

Explanatory Notes on Ordinary Business and Special Business (Cont'd)

4. Ordinary Resolution 7 – Ordinary Business Re-appointment of Auditors

The Board has through the Audit and Risk Management Committee (“ARMC”), considered the re-appointment of Messrs Morison LC PLT as Auditors of the Company. The factors considered by the ARMC in making the recommendation to the Board to table the resolution on re-appointment of Messrs Morison LC PLT at the 2nd AGM are disclosed in the Corporate Governance Overview Statement of the Annual Report 2025.

5. Ordinary Resolution 8 – Special Business Authority to Issue and Allot Shares

Ordinary Resolution 8, if passed, would empower the Directors to issue and allot up to a maximum of 10% of the total number of issued shares (excluding any treasury 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 will, unless revoked or varied by the Company in a general meeting, expire at the conclusion of the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier.

This General Mandate is to provide flexibility to the Company to issue new securities without the need to convene separate general meeting to obtain its shareholders’ approval so as to avoid incurring additional costs and time.

The purpose of the General Mandate, if passed, will enable the Directors to take swift action in case of a need to issue and allot new shares of the Company for any possible fund raising activities including but not limited to further placement of Shares for purpose of funding current and/or future investment projects, working capital, repayment of bank borrowings, acquisitions and/or issuance of Shares as settlement of purchase consideration, or other circumstances arise which involve grant of rights to subscribe for Shares, conversion of any securities into Shares, or allotment of Shares under an agreement or option or offer, or such other application as the Directors may deem fit in the best interest of the Company.

This is the first General Mandate to be sought by the Company since its listing on the ACE Market of Bursa Malaysia Securities Berhad on 13 August 2024. As at the date of this notice, there is no decision to issue new Shares. Should there be a decision to issue new Shares after the General Mandate is sought, the Company will make an announcement of the actual purpose and utilisation of proceeds arising from such issuance of Shares.

STATEMENT ACCOMPANYING THE NOTICE OF SECOND ANNUAL GENERAL MEETING

(PURSUANT TO RULE 8.29(2) OF THE ACE MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD)

ELECTION/APPOINTMENT AS DIRECTORS

There are no individuals standing for election/appointment as Directors at the Second Annual General Meeting ("2nd AGM") of Sik Cheong Berhad ("the Company").

Wong Hin Loong and Kok Yi Ling ("Retiring Directors") are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 2nd AGM. Their profiles can be found on pages 22 and 25 of the Annual Report 2025. The details of their interest in the securities of the Company can be found on page 136 of the Annual Report 2025.

The Board of Directors of the Company ("Board") had via the Nomination Committee ("NC") assessed the Retiring Directors, and was satisfied that they have met the performance criteria set out in the assessments in the discharge of their duties and responsibilities. The Retiring Directors met the criteria as prescribed by Rule 2.20A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Listing Requirements") on character, experience, integrity, competence and time to effectively discharge their roles as Directors. The Retiring Directors have also met the relevant requirements under the fit and proper assessment and the NC was satisfied with the outcome of the said assessments. The NC and the Board had also conducted an assessment on Kok Yi Ling's independence and were satisfied that she has complied with the criteria prescribed by the Listing Requirements.

Save as disclosed below, both Retiring Directors, Wong Hin Loong and Kok Yi Ling confirmed that they do not have any conflict of interest, potential conflict of interest or perceived conflict of interest, including interest in any business that is in competition with the Company or its subsidiaries:-

- i. Wong Hin Loong is deemed interested in the following recurrent related party transactions ("RRPTs") of a revenue or trading nature / related party transactions ("RPT")⁽¹⁾:-

Related party	Transacting company within the Group	Interested persons and nature of relationship	Nature of transaction	Total amount transacted for the financial year ended 31 March 2025
Wong Hing Ngiap and Wong Hin Loong	Sik Cheong Edible Oil Sdn. Bhd. ("SCEO")	Wong Hing Ngiap and Wong Hin Loong are both the Executive Directors, promoters and major shareholders of the Company as well as directors of SCEO. Wong Hing Ngiap and Wong Hin Loong are also the directors and shareholders of Thrive Carrier Sdn Bhd, a major shareholder of the Company.	Rental expenses paid to Wong Hing Ngiap and Wong Hin Loong for unit No. 2B, Jalan 3/2 Kampung Tasek Tambahan, 68000 Ampang, Selangor is used as hostel to house SCEO's workers.	RM4,400.00

STATEMENT ACCOMPANYING THE NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

ELECTION/APPOINTMENT AS DIRECTORS (CONT'D)

Related party	Transacting company within the Group	Interested persons and nature of relationship	Nature of transaction	Total amount transacted for the financial year ended 31 March 2025
Thrive Properties Sdn. Bhd. ("Thrive Properties")	SCEO	<p>Wong Hing Ngiap and Wong Hin Loong are both the Executive Directors, promoters and major shareholders of the Company as well as directors of SCEO. Wong Hing Ngiap and Wong Hin Loong are also the directors and shareholders of Thrive Carrier Sdn Bhd, a major shareholder of the Company.</p> <p>Wong Hing Ngiap and Wong Hin Loong are both the directors and shareholders of Thrive Properties. Wong Cheng Li, a daughter to Wong Hin Loong is also a shareholder of Thrive Properties.</p>	Rental expenses paid to Thrive Properties for unit No. 35-2C, Jalan 6/10, Kampung Tasek Tambahan, 68000 Ampang, Selangor is used as hostel to house SCEO's workers.	RM8,400.00

STATEMENT ACCOMPANYING THE NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

ELECTION/APPOINTMENT AS DIRECTORS (CONT'D)

Related party	Transacting company within the Group	Interested persons and nature of relationship	Nature of transaction	Total amount transacted for the financial year ended 31 March 2025
Thrive Properties	Sin Cheong Sales & Marketing Sdn. Bhd. ("SCSM")	<p>Wong Hing Ngiap and Wong Hin Loong are both the Executive Directors, promoters and major shareholders of the Company as well as directors of SCSM. Wong Hing Ngiap and Wong Hin Loong are also the directors and shareholders of Thrive Carrier Sdn Bhd, a major shareholder of the Company.</p> <p>Wong Hing Ngiap and Wong Hin Loong are both the directors and shareholders of Thrive Properties. Wong Cheng Li, a daughter to Wong Hin Loong is also a shareholder of Thrive Properties.</p>	Rental expenses paid to Thrive Properties for unit No. 33G, Jalan 6/10, Kampung Tasek Tambahan, 68000 Ampang, Selangor is for lamp oil labelling line and storage for SCSM's operations.	RM30,000

Note:

- (1) These transactions were disclosed in the Company's Prospectus dated 19 July 2024 in relation to the initial public offering ("IPO") of the Company for its listing on the ACE Market of Bursa Malaysia Securities Berhad on 13 August 2024. These transactions continued during the financial year ended 31 March 2025.

STATEMENT ACCOMPANYING THE NOTICE OF SECOND ANNUAL GENERAL MEETING (CONT'D)

ELECTION/APPOINTMENT AS DIRECTORS (CONT'D)

In addition to the above, the Board (save for the Retiring Directors who have abstained from deliberation on discussions relating to their own re-election) supports and recommended the re-election of Wong Hin Loong and Kok Yi Ling as Directors of the Company based on the following:-

1. **Wong Hin Loong**

Wong Hin Loong was appointed as the Director of the Company on 23 June 2023.

The Board, via the NC had assessed Wong Hin Loong, and was satisfied with his significant contribution to the Group since its inception, leveraging his background, skills and vast experience in the repackaging, marketing and distribution of refined, bleached and deodorised (RBD) palm olein oil and the Board believes that his continued commitment will remain valuable in supporting the Group's strategic direction and long-term success.

2. **Kok Yi Ling**

Kok Yi Ling was appointed as the Independent Non-Executive Director of the Company on 26 December 2023.

The Board, via the NC had assessed Kok Yi Ling, and was satisfied that she would continue to provide her valuable contribution and views to the Group based on her background, skills and vast experience in sales and marketing. She has also exercised due care and fulfill her responsibilities proficiently during her tenure as an Independent Non-Executive Director as well as the Chairperson of the Remuneration Committee and as a member of Audit and Risk Management Committee and Nomination Committee.

GENERAL MANDATE FOR ISSUE OF SECURITIES

Kindly refer to item 5 of the Explanatory Notes on Ordinary Business and Special Business on page 143 of the Annual Report 2025.

ADMINISTRATIVE GUIDE

FOR THE SECOND ANNUAL GENERAL MEETING ("2ND AGM")

Day and Date :	Thursday, 18 September 2025
Time :	10.00 a.m.
Venue :	Indah Ballroom, Flamingo Hotel by the lake, Kuala Lumpur, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan

1. REGISTRATION ON THE DAY OF THE 2ND AGM

Registration will start at 9.00 a.m. and will remain open until the conclusion of the 2nd AGM or such time may be determined by the Chairman of the meeting.

Please produce an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:

- (i) Identity card (NRIC) (Malaysian); or
- (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
- (iii) Passport (Foreigner).

You will not be allowed to register on behalf of another person even with the original Identity card or Passport of that person.

Upon verification of your Identity card or Passport and signing of attendance list, you will be given the identification wristband with passcode for voting purposes before entering the meeting room. Please vacate the registration area immediately after registration to prevent congestion.

2. ELIGIBILITY TO ATTEND BASED ON THE RECORD OF DEPOSITORS

Only a member whose name appears on the Record of Depositors as at 8 September 2025 shall be entitled to attend or appoint proxy(ies) to attend, participate, speak and/or vote on his/her/its behalf at the 2nd AGM.

ADMINISTRATIVE GUIDE FOR THE SECOND ANNUAL GENERAL MEETING (“2ND AGM”) (CONT'D)

3. CORPORATE MEMBER

Corporate members who wish to appoint authorised representatives instead of proxy(ies), must deposit their original certificate of appointment of authorised representative with the Company’s Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia before the 2nd AGM or bring the original certificate of appointment of corporate representative to the 2nd AGM.

The certificate of appointment of authorised representative should be executed in the following manner:-

- (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
- (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:-
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.

Attorneys appointed by power of attorney are required to deposit their power of attorney with the Company’s Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia not later than Tuesday, 16 September 2025 at 10.00 a.m. to attend and vote at the 2nd AGM. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

4. APPOINTMENT OF PROXY

The appointment of proxy may be made in hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote:

(a) **In hard copy form**

In case of an appointment made in hard copy form, the Proxy Form must be deposited at the Company’s Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.

(b) **By electronic means**

The proxy appointment can be lodged electronically with the Share Registrar of the Company via TIIH Online at <https://tiih.online>. Please refer to the procedures below for electronic lodgement of Proxy Form via TIIH Online.

ADMINISTRATIVE GUIDE FOR THE SECOND ANNUAL GENERAL MEETING (“2ND AGM”) (CONT’D)

5. ELECTRONIC LODGEMENT OF PROXY FORM

The procedures to lodge your Proxy Form electronically via Tricor’s TIIH Online website are summarised below:-

Procedure	Action
(i) Steps for Individual Members	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Using your computer, please access the website at https://tiih.online. Register as a user under the “e-Services Login”. Please refer to the tutorial guide posted on the homepage for assistance. If you are already a user with TIIH Online, you are not required to register again.
Proceed with Submission of Proxy Form	<ul style="list-style-type: none"> After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password. Select the corporate event “SIK CHEONG BERHAD 2ND AGM - Submission of Proxy Form”. Read and agree to the Terms & Conditions and confirm the Declaration. Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf. Appoint your proxy(ies) and insert the required details of your proxy(ies) or appoint the Chairman as your proxy. Indicate your voting instructions – FOR or AGAINST, otherwise your proxy(ies) will decide on your votes. Review and confirm your proxy(ies) appointment. Print the proxy form for your record.
(ii) Steps for Corporate or Institutional Members	
Register as a User with TIIH Online	<ul style="list-style-type: none"> Access TIIH Online at https://tiih.online. Under e-Services Login, the authorised or nominated representative of the corporate or institutional member selects “Create Account by Representative of Corporate Holder”. Complete the registration form and upload the required documents. Registration will be verified, and you will be notified by email within one (1) to two (2) working days. Proceed to activate your account with the temporary password given in the email and re-set your own password. <p>Note: The representative of a corporate or institutional member 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 our Share Registrar if you need clarifications on the user registration.</p>
Proceed with Submission of Proxy Form	<ul style="list-style-type: none"> Login to TIIH Online at https://tiih.online. Select the corporate event “SIK CHEONG BERHAD 2ND AGM - Submission of Proxy Form”. Agree to the Terms & Conditions and Declaration. Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein. Prepare the file for the appointment of proxy(ies) by inserting the required data. Login to TIIH Online, select corporate event “ SIK CHEONG BERHAD 2ND AGM - Submission of Proxy Form”. Proceed to upload the duly completed proxy appointment file. Select “Submit” to complete your submission. Print the confirmation report of your submission for your record.

ADMINISTRATIVE GUIDE FOR THE SECOND ANNUAL GENERAL MEETING (“2ND AGM”) (CONT'D)

6. POLL VOTING

The voting at the 2nd AGM will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed Tricor Investor & Issuing House Services Sdn Bhd as Poll Administrator to conduct the polling process and to act as the independent Scrutineer to verify the poll results.

7. NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 2nd AGM proceedings is allowed without prior written permission of the Company.

8. NO DOOR GIFTS OR FOOD VOUCHERS

There will be no door gifts or vouchers provided to members, proxies and invited guests who attend the 2nd AGM.

9. ENQUIRY

If you have any enquiry on the above, please contact the following person-in charge during office hours on Mondays to Fridays from 9.00 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd

General No. : +603-2783 9299
Email : is.enquiry@vistra.com

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**SIK CHEONG BERHAD**Registration No. 202301023959 (1517882-K)
(Incorporated in Malaysia)**PROXY FORM**

CDS Account No.

No. of Shares held

I/We _____ Tel: _____
[Full name in block, NRIC/Passport/Company No.]

of _____

[Full Address]

being member(s) of **SIK CHEONG BERHAD**, hereby appoint:

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or * (* delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing him/her, the Chairman of the general meeting as my/our proxy to vote for me/us and on my/our behalf at the Second Annual General Meeting of the Company, which will be held at Indah Ballroom, Flamingo Hotel by the lake, Kuala Lumpur, 5, Tasik Ampang, Jalan Hulu Kelang, 68000 Ampang, Selangor Darul Ehsan on Thursday, 18 September 2025 at 10.00 a.m. and at any adjournment thereof, and to vote as indicated below:-

Item	Agenda	Resolution	For	Against
Ordinary Business				
1	To approve the Director's fees of up to RM48,000 payable to Abdul Razak Bin Dato' Haji Ippap, the Independent Non-Executive Chairman, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company.	Ordinary Resolution 1		
2	To approve the Director's fees of up to RM48,000 payable to Thong Kooi Pin, the Independent Non-Executive Director, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company.	Ordinary Resolution 2		
3	To approve the Director's fees of up to RM36,000 payable to Keh Siew Hoon, the Independent Non-Executive Director, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company.	Ordinary Resolution 3		
4	To approve the Director's fees of up to RM36,000 payable to Kok Yi Ling, the Independent Non-Executive Director, for the period from 19 September 2025 until the date of the next Annual General Meeting of the Company.	Ordinary Resolution 4		
5	To re-elect Wong Hin Loong who retires pursuant to Clause 76(3) of the Constitution of the Company.	Ordinary Resolution 5		
6	To re-elect Kok Yi Ling who retires pursuant to Clause 76(3) of the Constitution of the Company.	Ordinary Resolution 6		
7	To re-appoint Messrs Morison LC PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolution 7		
Special Business				
8	To authorise Directors to issue and allot shares pursuant to Sections 75 and 76 of the Companies Act 2016.	Ordinary Resolution 8		

* Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2025

* Signature of Shareholder/ Common Seal
Contact Details:

- * Manner of execution:
- (a) If you are an individual member, please sign where indicated.
 - (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
 - (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
 - (i) at least two (2) authorised officers, of whom one shall be a director; or
 - (ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

NOTES:-

1. For the purpose of determining who shall be entitled to participate in this General Meeting, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 8 September 2025. Only a member whose name appears on this Record of Depositors shall be entitled to attend this General Meeting or appoint a proxy to attend, speak and vote (collectively, "participate") on his/her/its behalf.
2. A member entitled to participate at this General Meeting is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to attend, participate, speak and vote in his/her place. A proxy may but need not be a member of the Company.
3. A member of the Company who is entitled to attend and vote at a General Meeting of the Company may appoint not more than two (2) proxies to attend, participate, speak and vote instead of the member at the General Meeting.
4. Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), he/she may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.
5. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.
6. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote:-
 - (i) **In hard copy form**
In the case of an appointment made in hard copy form, the Proxy Form must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia.
 - (ii) **By electronic form**
The Proxy Form can be electronically lodged with the Company's Share Registrar via TIIH Online at <https://tjih.online>. Please follow the procedures set out in the Administrative Guide for the 2nd AGM.
8. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the General Meeting or adjourned General Meeting at which the person named in the appointment proposes to vote. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.
9. For a corporate member who has appointed an authorised representative, please deposit the **ORIGINAL** certificate of appointment of authorised representative with the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in its drop-box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia. The certificate of appointment of authorised representative should be executed in the following manner:-
 - (i) If the corporate member has a common seal, the certificate of appointment of authorised representative should be executed under seal in accordance with the constitution of the corporate member.
 - (ii) If the corporate member does not have a common seal, the certificate of appointment of authorised representative should be affixed with the rubber stamp of the corporate member (if any) and executed by:-
 - (a) at least two (2) authorised officers, of whom one shall be a director; or
 - (b) any director and/or authorised officers in accordance with the laws of the country under which the corporate member is incorporated.
10. Please ensure ALL the particulars as required in the Proxy Form are completed, signed and dated accordingly.
11. Last date and time for lodging the Proxy Form is Tuesday, 16 September 2025 at 10.00 a.m.
12. Please bring an **ORIGINAL** of the following identification papers (where applicable) and present it to the registration staff for verification:
 - (i) Identity card (NRIC) (Malaysian); or
 - (ii) Police report (for loss of NRIC) / Temporary NRIC (Malaysian); or
 - (iii) Passport (Foreigner).
13. For a corporate member who has appointed a representative instead of a proxy to attend this General Meeting, please bring the **ORIGINAL** certificate of appointment of authorised representative executed in the manner as stated in the Proxy Form if it has not been deposited at the Company's Share Registrar.
14. Shareholders are advised to check the Company's website and announcements from time to time for any changes to the administration of the 2nd AGM.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Share Registrar of

SIK CHEONG BERHAD

Registration No. 202301023959 (1517882-K)

Unit 32-01, Level 32, Tower A

Vertical Business Suite

Avenue 3, Bangsar South

No. 8, Jalan Kerinchi

59200 Kuala Lumpur

W.P. Kuala Lumpur, Malaysia

1st fold here



SIK CHEONG BERHAD

Registration No. 202301023959 (1517882-K)

No.11, Jalan 6/14, Kampung Tasik Tambahan, 68000 Ampang, Selangor, Malaysia.

Phone: 03 - 4292 1211 | 017 - 611 2322

www.sikcheong.com.my