

# **MASTERY IN PRECISION**

## **MANUFACTURING OF AUTOMOTIVE PARTS**

**ANNUAL REPORT 2024**

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**SCAN ME**

Scan the QR Code or go to our corporate website, <https://khpt.com.my>



# GROUP INFORMATION

## BOARD OF DIRECTORS

**Datuk Noripah Binti Kamso**  
Independent Non-Executive  
Chairperson

**Datin See Hui Pvng**  
Group Managing Director

**Hideki Nomura**  
Executive Director / Chief Business  
Development Officer

**Dato' Tang Ngat Ngoh**  
Independent Non-Executive Director

**Datuk Noor Azian Binti Shaari**  
Independent Non-Executive Director

**Chan Yan San**  
Independent Non-Executive Director



### AUDIT AND RISK MANAGEMENT COMMITTEE

**Chan Yan San**  
Chairman  
**Datuk Noor Azian Binti Shaari**  
Member  
**Dato' Tang Ngat Ngoh**  
Member

### NOMINATION AND REMUNERATION COMMITTEE

**Dato' Tang Ngat Ngoh**  
Chairperson  
**Datuk Noor Azian Binti Shaari**  
Member  
**Chan Yan San**  
Member

### COMPANY SECRETARIES

**Tai Yit Chan**  
MAICSA No. 7009143  
SSM Practicing Certificate No.  
202008001023

**Tan Ai Ning**  
MAICSA No. 7015852  
SSM Practicing Certificate No.  
202008000067

### REGISTERED OFFICE

12<sup>th</sup> Floor, Menara Symphony,  
No.5, Jalan Professor Khoo Kay Kim,  
Seksyen 13, 46200 Petaling Jaya,  
Selangor Darul Ehsan.  
☎ +603-7890 4800  
🏠 +603-7890 4650  
✉ boardroom-kl@boardroomlimited.com

### HEAD OFFICE

Lot 2228, Jalan Kasawari,  
Kawasan Perusahaan Kebun Baru,  
Batu 9, Kg. Kebun Baru,  
42500 Telok Panglima Garang,  
Kuala Langat, Selangor Darul Ehsan.  
☎ +603-3122 2772  
✉ info@khpt.com.my  
🌐 https://khpt.com.my

### SPONSOR

**KAF Investment Bank Berhad**  
Level 13A, Menara IQ,  
Lingkar TRX,  
Tun Razak Exchange,  
55188 Kuala Lumpur.  
☎ +603-2708 2800  
🏠 +603-2708 2801

### AUDITORS

**Crowe Malaysia PLT**  
Level 16, Tower C,  
Megan Avenue II,  
12 Jalan Yap Kwan Seng,  
50450 Kuala Lumpur.  
☎ +603-2788 9999

### SHARE REGISTRAR

**Boardroom Share Registrars  
Sdn Bhd**  
11<sup>th</sup> Floor, Menara Symphony,  
No. 5, Jalan Prof. Khoo Kay Kim,  
Seksyen 13, 46200 Petaling Jaya,  
Selangor Darul Ehsan.  
☎ +603-7890 4700  
✉ +603-7890 4670  
🌐 bsr.helpdesk@boardroomlimited.com

### STOCK EXCHANGE LISTING

ACE Market of Bursa Securities  
Stock Name : KHB  
Stock Code : 0322

# GROUP STRUCTURE



**KHPT HOLDINGS BERHAD**  
(Registration No. 201901005770 (1315097-M))



**AUTOMEV GLOBAL SDN BHD**  
(Registration No. 199601031222 (403574-H))



# INTRODUCTION OF OUR GROUP

KHPT Holdings Berhad (“KHPT” or “the Company”) was incorporated in Malaysia on 20 February 2019 as KHPT Holdings Sdn Bhd and subsequently converted into a public limited company on 1 March 2024 and listed on the ACE Market of the Bursa Malaysia Securities Berhad on 8<sup>th</sup> October 2024.

The Company is principally engaged in the business of investment holding company, which currently holds only one wholly-owned subsidiary, namely, Automev Global Sdn Bhd (“AGSB”), the subsidiary is principally driving our core business, which involves in manufacturing and sale of high quality automotive parts and components, comprising body parts, seat structures and other parts (i.e. engine parts and absorber parts).

Through AGBS, we provide a comprehensive range of products to cater essential needs of the automotive industry in Malaysia. Our unwavering commitment to innovation, quality, and sustainability ensures that we consistently deliver exceptional products and services, strengthening our market presence and long-term growth.



## VISION

We are committed to industry excellence and sustainable growth, striving to be the leading global provider of innovative automotive components that drive industry advancement and enhance the driving experience worldwide.



## MISSION

Our goal is to manufacture world-class automotive components with a focus on quality, innovation, and durability. Through cutting-edge technology and continuous improvement, we aim to exceed industry standards, create value for stakeholders, and drive a positive impact on society and the environment.



# KHPT

## BRAND SYMBOLISM: THE STORY BEHIND OUR LOGO

KHPT's brand embodies innovation, customer experience, and sustainability. Our stylized green 'K' logo, shaped like a bird in flight, symbolizes our drive for excellence. Just as a bird soars with precision, we push boundaries, delivering cutting-edge solutions that redefine possibilities.

# INTRODUCTION OF OUR GROUP

## OUR GUIDING PRINCIPLE

Each letter of KHPT represents a core principle that shapes our culture and defines who we are. More than just a company, we are driven by values—Kindness, Happiness, Practicality, and Trustworthiness. These principles guide every decision we make, every interaction we have, and every solution we deliver. We believe in conducting business with kindness, fostering happiness in the workplace, embracing practicality in our innovations, and building trust as the foundation of every relationship. Committed to innovation, customer care, and environmental responsibility, we are creating a lasting legacy for the future.



## OUR COMMITMENT, OUR VALUES

At KHPT, our values define who we are and guide everything we do. These principles shape our culture, drive our success, and inspire us to create a lasting impact.



### FOSTERING TRUST WITH OPENNESS

Integrity is the foundation of our organization. We believe in honesty, transparency, and ethical decision-making, ensuring trust in every relationship we build—internally and externally.



### EXCELLENCE AS STANDARD

Our focus on quality, durability, and innovation ensures that our products and services not only meet but exceed industry standards and customer expectations.



### TEAMWORK FOR COLLECTIVE SUCCESS

Collaboration is at the heart of our success. By bringing together diverse perspectives and expertise, we foster an environment of innovation, efficiency, and shared achievement.



### COMMITMENT TO GREATNESS

We are dedicated to achieving excellence in all that we do. Our passion drives us to push boundaries, create opportunities, and deliver success for our company, employees, and partners.



### GUIDING TODAY, SHAPING TOMORROW

True leadership is about more than just managing the present—it's about shaping the future. We lead with foresight and inspire progress, ensuring sustainable growth for generations to come.



### EMBRACING GROWTH, INSPIRING INNOVATION

We believe in continuous improvement, embracing change, and encouraging creativity. Through innovation and adaptability, we remain at the forefront of industry advancements, driving progress in everything we do.

# OUR EXPERTISE AND PRODUCTS

The following provides a comprehensive overview of our Group's products and services, showcasing our expertise, innovation, and commitment to delivering high-quality automotive components that meet industry demands and exceed customer expectations. We leverage advanced design, precision manufacturing, and efficient assembly processes to ensure excellence at every stage of production.

## KHPT GROUP

### Principal business activities

Manufacturing and sale of automotive parts and components

### Principal market

- Automotive production market in Malaysia (for the assembly of new vehicles)
- Automotive replacement market in Malaysia (as spare parts for service, repair and maintenance of used vehicles)

### Our expertise

#### Precision Engineering

– We design and develop high-quality dies and jigs to support efficient manufacturing processes.

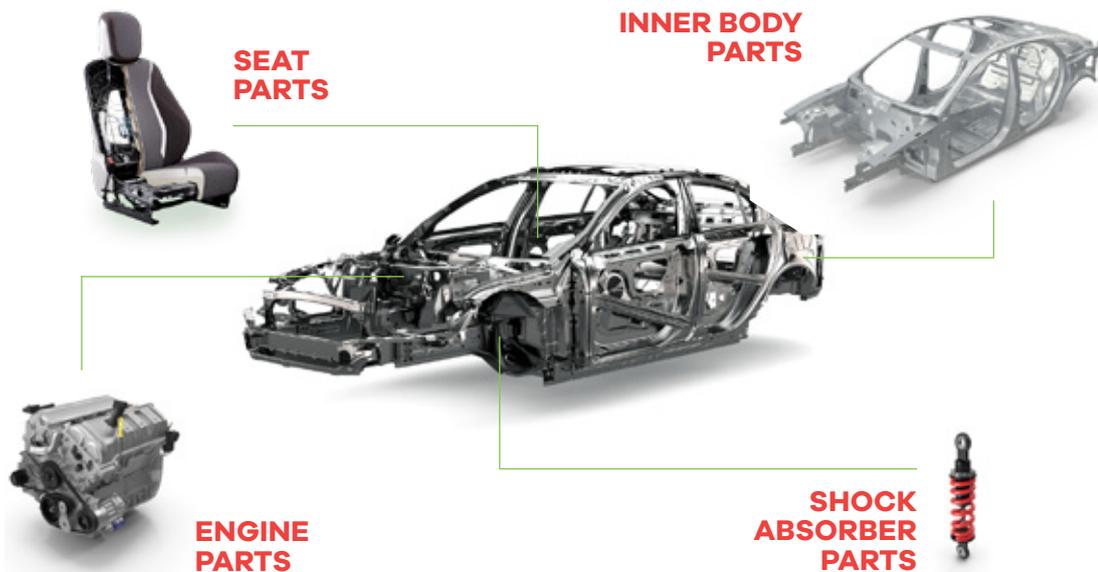
#### High-Volume Production

– Our manufacturing capabilities ensure consistent, high-volume output with precise shapes and dimensions.

#### Assembly Services

– We provide expert assembly services, combining multiple components to create sub-assembled automotive products.

## Our products



### Our customers

- Tier 1 Suppliers/Manufacturers
- Local automotive manufacturers (i.e. Proton and Perodua)

# ACCREDITATIONS & ACHIEVEMENTS



**IATF16949 (Globally recognised  
Automotive Management Standard)**

2024



**PROTON Award: Best Supplier  
Quality Score Card (SQSC)**

2024



**KYB-UMW Award:  
Top 5 Supplier in Delivery**

2024



**DOSH Award: Solve4SME's  
Achieved in Level 4**

2023



**NATIONAL DOSH Competition Finalist:  
Under Mentor-Mentee Programme**

2024

# IN THE NEWS

## ACE-MARKET DEBUTANT KHPT TO FOCUS ON LOCAL MARKET GROWTH



Group Managing Director of KHPT Holdings Berhad Datin Eloise See Hui Png (File pix)

KUALA LUMPUR, Oct 8 (Bernama) -- ACE Market debutant KHPT Holdings Bhd (KHPT) is prioritising the local market, buoyed by an optimistic industry outlook and the anticipated introduction of several new car models.

KHPT group managing director Datin Eloise See emphasised the company's commitment to local opportunities, noting the influx of foreign models into Malaysia.

"We also hope to see more companies establishing plants for complete knock-down (CKD) production

or vehicle localisation in Malaysia," she said at a press conference following the company's listing ceremony today.

The local automotive parts manufacturer and supplier made its debut on the ACE Market of Bursa Malaysia at 29 sen, a premium of nine sen above its initial public offering (IPO) price of 20 sen, with 15.02 million shares traded.

Through the public issuance of 108,644,300 new ordinary shares, the company successfully raised RM21.73 million.

Meanwhile, See said that KHPT is actively adopting environmental, social and governance (ESG) practices as part of its strategy to forge partnerships and expand its business in the future.

She highlighted the company's ongoing implementation of ESG measures, including a significant reduction in energy consumption during its manufacturing process by upgrading to more energy-efficient servo motors.

"Additionally, we have subscribed to carbon accounting and management software services to collect and analyse our carbon emissions reports via the Pantas Climate Solution (Pantas) platform," she said.

Pantas, a local climate technology startup, offers carbon management and climate due diligence solutions tailored for businesses and financial institutions.

See further noted that the company has embarked on its ESG journey in response to increasing demand from local and international automotive firms seeking partnerships with small and medium enterprises that prioritise ESG practices.

## AUTOPARTS MAKER KHPT CLIMBS 45% ON ACE MARKET DEBUT



From left: KAF Investment Bank Bhd Director of Corporate Finance Azmi Hariss Ibrahim, Co-Head and Director of Corporate Finance Ahmad Fazlee Aziz, KHPT Independent Non-Executive Director Datuk Noor Azian Shaari, Independent Non-Executive Chairperson Datuk Noripah Kamsa, Group Managing Director Datin Eloise See, Executive Director and Chief Business Development Officer Hideki Nomura, Independent Non-Executive Director Chan Yan San, Bursa Malaysia Securities Bhd Chairman Tan Sri Abdul Wahid Bin Omar and KAF Investment Bank CEO Rohaizat Ismail

KUALA LUMPUR: Shares in automotive parts and components manufacturer KHPT Holdings Bhd jumped 45% in its debut on the ACE Market of Bursa Malaysia, following an initial public offering (IPO) that raised RM21.73mil.

The company hit the market running at 29 sen a share, representing a nine sen premium to its IPO price of 20 sen a share. As at 9.40am, the share has since subsided on profit-taking to a 15% lead at 23 sen a share.

According to the group, it aims to direct the bulk of the proceeds of the IPO towards

purchasing a press machine and automation equipment.

The remaining funds would go towards renovating its factory, working capital and covering the listing expenses.

Independent non-executive chairman of KHPT Datuk Noripah Kamsa said the market capitalisation of RM80.48mil strategically positions the company to leverage its established relationships with Proton and Perodua—brands that dominate the local market.

"Our ability to deliver customised, high-quality automotive components has made us a trusted partner in

the production of 14 Proton and 13 Perodua past or current models.

"As the industry's continuous evolution into the electric vehicles and green technology, KHPT's in-house engineering capabilities and long-standing expertise will allow us to not only adapt but lead in providing innovative solutions," she said in a statement.

She added that the listing marks the beginning of the company's gradual expansion, both in Malaysia and potentially into international markets.

## KHPT ENDS ACE MARKET DEBUT DAY AT 21.5 SEN



The company raised RM21.73 million through the public issuance of 108.64 million new ordinary shares.

KUALA LUMPUR: KHPT Holdings Bhd, which made its debut on the ACE Market yesterday, saw its share price rise nine sen to 29 sen from its initial public offering (IPO) price of 20 sen, with 157.70 million shares traded.

The company raised RM21.73 million through the public issuance of 108.64 million new ordinary shares.

KHPT independent non-executive chairman Datuk Noripah Kamsa said the listing marks the beginning of the company's expansion, both

in Malaysia and potentially into international markets.

She said that with a market capitalisation of RM80.48 million, the company is well positioned to leverage its strong relationships with Proton and Perodua.

"As the industry's continuous evolution into electric vehicles and green technology, KHPT's in-house engineering capabilities and long-standing expertise will allow us to not only adapt but lead in providing

innovative solutions," Noripah said in a statement.

KHPT announced that over 75 per cent of the gross proceeds will be allocated for capital expenditure, 2.1 per cent to upgrade the Telok Panglima Garang Factory, and 1.7 per cent to buy an overhead crane.

Rakuten Trade Research expects KHPT's financial year 2023 (FY23) to FY26 earnings to grow by 7.0 per cent, underpinned by solid demand for the affordable segment, gradual expansion of manufacturing capacity, economic recovery, and increasing disposable income.

The firm said KHB stands out within the domestic automotive parts and components industry, underpinned by its solid foundation and nearly 30 years of expertise.

"In addition, its position is fortified by its solid relationships with Malaysia's top two automotive brands, namely Proton and Perodua, that account for 41.3 per cent and 18.9 per cent share of total industry volume (TIV), respectively.

"We expect KHB to register core net earnings of RM6.2 million and RM7.6 million for FY24 and FY25, respectively. Buy with a fair value of 29 sen," it added.

## KHPT HOLDINGS CATAT UNTUNG BERSIH RM2.22 JUTA PADA SUKU KETIGA, HASIL CECAH RM25.74 JUTA

KUALA LUMPUR 22 Nov - KHPT Holdings Bhd mencatatkan keuntungan bersih RM2.22 juta pada suku ketiga berakhir 30 September 2024 (3QFY24).

Dalam satu pengumuman kepada Bursa Malaysia, pengeluar alat ganti automatik tempatan itu merekodkan hasil sebanyak RM25.74 juta pada suku yang sama.

Tiada angka perbandingan untuk tempoh yang sama tahun sebelumnya kerana syarikat hanya disenaraikan di Pasaran ACE Bursa Malaysia pada 8 Oktober 2024.

KHPT berkata, berbanding suku sebelumnya yang berakhir 30 Jun 2024 (2QFY24), hasilnya meningkat sebanyak 7.3% daripada kira-kira RM24.0 juta pada suku sebelumnya manakala keuntungan kasar.

"Pada 2QFY24, Keputusan syarikat dan keuntungan bersih masing-masing meningkat 91.9% dan 1128.7% yang sejajar dengan ramalan enam bulan kumpulannya.

"Barisan pengeluaran cecap dan pengurusan kos lebih baik mendorong kepada hasil yang

tinggi pada suku ini," katanya.

Pengaruh Hal Ehwah Kumpulan KHPT, Datin Eloise See berkata, peningkatan permintaan bagi peralatan gantian automotif mampu dan peningkatan aktiviti promosi.

"Kami menasaskan untuk memenuhi permintaan yang semakin meningkat ini dengan meningkatkan automasi dan mengembangkan kapasiti, sambil mengambil kesempatan daripada peluang muncul dalam kenderaan enjin pembakaran bukan dalam (ICE) dan kenderaan elektrik bateri (BEV)," katanya.

Sementara itu, KHPT memperoleh hasil kasar sebanyak RM21.73 juta daripada IPO yang mana kira-kira 50.8% daripada hasil itu diperuntukkan untuk pembelian mesin akhbar, 20.7% untuk pembelian peralatan automasi, 2.1% untuk pengubahsuaian kilang penapisan Telok Panglima Garang dan 1.7% bertujuan untuk membeli kren overhead.

Baki hasil sebanyak RM700,000 dan RM4.66 juta telah diperuntukkan untuk perbelanjaan model kerja dan penyenaaran.

# FINANCIAL HIGHLIGHTS

		2022*	2023*	2024
<b>OPERATING RESULTS</b>				
Revenue	RM'000	116,246	114,082	105,015
Gross Profit ("GP")	RM'000	17,136	14,143	12,650
Profit Before Taxation ("PBT")	RM'000	11,336	8,413	4,469
Profit After Taxation ("PAT")	RM'000	8,798	5,533	2,647
GP margin	%	14.74	12.40	12.05
PBT margin	%	9.75	7.37	4.26
PAT margin	%	7.57	4.85	2.52
<b>FINANCIAL POSITION</b>				
Shareholder's equity	RM'000	28,093	32,626	55,296
Total assets	RM'000	56,793	58,730	78,506
Total borrowings	RM'000	8,333	6,869	4,751
<b>FINANCIAL RATIOS</b>				
Gearing ratio	times	0.30	0.21	0.09
Current ratio	times	1.27	1.31	2.47
<b>MARKET RATIOS</b>				
Earnings Per Share	sen	3,519.32	2,213.37	0.84
Net assets per share	sen	112.37	130.50	0.14
Dividend per share	sen	1,600	400	N/A

\* As the acquisition of Automev Global Sdn. Bhd. ("AGSB") was completed and became a wholly-owned subsidiary of KHPT on 7<sup>th</sup> February 2024, the audited combined financial statements as at financial year end were prepared based on the combined results of KHPT and its combining entity, AGBS.

## PROFILE OF BOARD OF DIRECTORS



### DATUK NORIPAH BINTI KAMSO

Independent Non-Executive Chairperson

**Datuk Noripah Binti Kamso**, female, a Malaysian aged 67, is our Independent Non-Executive Chairperson. She was appointed to our Board on 21 March 2024.

She obtained a Diploma in Business Studies from Institut Teknologi MARA, Malaysia (the predecessor of Universiti Teknologi MARA (“UiTM”)) in 1978, a Bachelor of Science from Northern Illinois University in the United States of America (“USA”) in 1980 and a Master of Business Administration from Marshall University in the USA in 1981.

She began her career in 1980 as Development Officer, Project Division at Urban Development Authority of Malaysia (now known as UDA Holdings Berhad) (“UDA”) where she was responsible for overseeing the overall implementation of development projects. She left UDA and joined Bank of Commerce (M) Berhad in 1983 (which subsequently became part of CIMB Group Holdings Berhad (together with its subsidiaries and associated companies, “CIMB Group”)) as an Executive Trainee and rose up the

ranks to Senior Manager of the corporate banking department.

She remained with the CIMB Group for the next 30 years until 2014 where she held various key positions including Deputy General Manager, General Manager and director of the corporate banking department of Commerce International Merchant Bankers Berhad (“CIMBB”) responsible for all corporate lending businesses from 1993 to 2004. While she was serving at CIMBB, she was also the Chief Executive Officer of CIMB Futures Sdn Bhd (now known as CGS International Futures Malaysia Sdn Bhd) (“CIMB Futures”) in-charge of derivatives broking from 1996 to 2004. She was Chief Executive Officer of CIMB Principal Asset Management Berhad (now known as Principal Asset Management Berhad) (“CPAM”) from 2004 to 2008 and the founding Chief Executive Officer of CIMB Principal Islamic Asset Management Sdn Bhd (now known as Principal Islamic Asset Management Sdn Bhd) (“CPIAM”) from 2008 until 2012. During her tenure, CPAM evolved

into a regional asset management house and CPIAM extended its reach to various jurisdictions offering investment capabilities in equities and sukuk for global institutional investors. Her last position in the CIMB Group was as an advisor to CIMB Islamic Bank Berhad’s wholesale banking from 2013 to 2014, and she introduced organisational processes for improvement in delivery and revenue. She had also served as executive director of CIMB Futures, CPAM and CPIAM during her tenure with the CIMB Group. During her tenure as executive director of CIMB Futures, the company became one of the three profitable derivatives broking companies in Malaysia.

## PROFILE OF BOARD OF DIRECTORS

### DATUK NORIPAH BINTI KAMSO (CONT'D)

Between 2015 and 2016, she lectured graduate and undergraduate students in Islamic Capital Market at the Drake University of USA to fulfil her commitments as a Global Practitioner in Residence, which is funded by the Principal Financial Group Center for Global Citizenship. In the academic year from 2016 to 2017, she was a Visiting Fellow at the Oxford Centre for Islamic Studies, an independent centre of the University of Oxford, United Kingdom where she pioneered the establishment of the Islamic finance unit. She had been lecturing on the fundamentals of Islamic finance contracts as a visiting lecturer at Saint-Joseph University in Beirut, Lebanon from 2015 to 2023. She was an adjunct professor in the School of Economics, Finance & Banking of Universiti Utara Malaysia between 2014 and 2019 and she was also an adjunct professor in the Faculty of Business and Management of UiTM between 2019 and 2021.

Between 2015 and 2017, she was appointed by the SC to serve as Public Interest Director

of the Federation of Investment Managers Malaysia (“FIMM”) which is recognised by the SC as a self-regulatory organisation for the unit trust industry. As Public Interest Director, her responsibilities included introducing best practices in fund management, fund operations, developing industry standards on investment management as well as the marketing and distribution. Between 2016 and 2020, she was a member of the Appeals Committee of Securities Industry Dispute Resolution Centre, an independent and impartial dispute resolution body established by the SC as part of its investor protection framework. She was also the Chairperson of Bank Kerjasama Rakyat Malaysia Berhad from 2018 to 2020 and the Chairperson of the board of trustees of Yayasan Bank Rakyat from 2019 to 2020. Between 2015 and January 2023, she was an Independent Non-Executive Director of Top Glove Corporation Bhd, a public company listed on the Main Market of Bursa Securities and the Mainboard of Singapore Exchange Securities Trading Ltd.

She has been an advisor to Pantas Software Sdn Bhd since 2019, whereby she provides strategic input on the company’s direction for domestic and regional business development. In 2022, she was appointed Chairwoman (designate) of the Malaysian operations of Arabesque Holding Ltd, a United Kingdom based financial technology company. She provides strategic direction for its business in the Malaysian capital market and financial market.

She has been an Independent Non-Executive Director of Swift Haulage Berhad since 2021, a public company listed on the Main Market of Bursa Securities. In February 2022, she was appointed as a Senior Independent Non-Executive Director in DXN Holdings Bhd, a public company listed on the Main Market of Bursa Securities.

## PROFILE OF BOARD OF DIRECTORS



### DATIN SEE HUI PVNG (ELOISE)

Group Managing Director

**Datin See Hui Pving**, female, a Malaysian aged 44, is our Group Managing Director. She was appointed to our Board on 20 February 2019. She is our Group Managing Director and is primarily responsible for the overall strategy and corporate direction of our Group.

She graduated with a Bachelor of Business Management with Majors in Management and Organisations and Marketing from University of Queensland, Australia in 2002. She obtained her Master of Business Administration from Victoria University, Australia in 2010.

In February 2003, she joined Automev Global Sdn Bhd ("AGSB") as a Business Development Executive and is primarily in charge of assisting the financial controller of AGBS on financial, operation, overall product management and customer support. In July 2009,

she was appointed as a director of AGBS and Kah Hong Development (M) Sdn Bhd, an investment holding company with investment in freehold industrial land and shop office. She has been continuously responsible for the growth and business operations of AGBS. Meanwhile, she was in charge of the business development department of Kah Hong Development (M) Sdn Bhd until her resignation from the company as a director on 5 March 2018.

In January 2018, Datin Eloise's father, See Ming Hoi who was our Managing Director resigned as a director of AGBS and subsequently Datin Eloise was appointed as the Managing Director of AGBS. She was responsible for developing strategic direction and business expansion strategies of our Group. Since then, she has played a vital role in expanding AGBS's business operations and has been the key

person driving AGBS's growth and expansion strategies. In February 2024, she accepted the invitation to be an industry advisory council member to the German-Malaysian Institute ("GMI") where her responsibilities include offering insights and recommendations, providing feedback to GMI's academic curriculum and collaborating with other council members to address key challenges and opportunities.

Save for our Company, she does not sit on the board of directors of any other public listed companies.

## PROFILE OF BOARD OF DIRECTORS



### HIDEKI NOMURA

Executive Director / Chief Business Development Officer

**Hideki Nomura**, male, a Japanese aged 74, is our Executive Director. He was appointed to our Board on 15 December 2023. He graduated with a Degree of Bachelor of Engineering from Doshisya University of Mechanical Engineering, Japan, in 1975.

He oversees product engineering development and operations and also coordinates product manufacturing process to ensure quality improvement while providing technical, development and management advisory for our Group.

He began his career with Daihatsu Motor Co., Ltd., Japan (“DMC”) in the mechanical engineering section of the production engineering department in April 1975 and he was responsible for the cutting tool engineering, new engine development project and engine localisation projects. From April 1975 to February 1996, he was in charge of the development of numerous new engine development projects, amongst others, to localise the head cylinder and intake manifold for Daihatsu Perodua Engine Manufacturing Sdn Bhd in Malaysia. In March 1996, he was transferred to Daihatsu Shiga plant (“Daihatsu Shiga Plant”) in Ryuo, Shiga, in Japan as the Plant Manager who was responsible

for the plant management with the focus on development and manufacturing of new engine and transmission projects as well as ensuring the quality, cost and productivity improvement through the implementation of Toyota Production System. His last held position was a Deputy Branch General Manager at Daihatsu Shiga Plant in June 2001. He was then promoted to the position of Director in DMC with the responsibility as the Plant Manager of DMC’s Ikeda and Kyoto plants in Japan for the development and manufacturing of new car model like the Toyota Passo and Daihatsu Boon.

In June 2004, he was in charge of the Indonesia Business Development as the Director of DMC and was later seconded to P.T. Astra Daihatsu Motor, Indonesia (“PT Astra”) in the same year.

In June 2006, he was appointed as the Executive Director of DMC and was also appointed as the President of PT Astra. During his tenure in PT Astra, he was responsible for the development and manufacturing of new car models, including the Daihatsu Xenia, Toyota Avanza and Toyota Rush. He remained as the President of PT Astra until May 2009.

He then joined Akashi Kikai Industry

Co. Ltd., (“Akashi Kikai”) in Japan, a subsidiary of DMC as an Advisor in June 2009 before being promoted as an Executive Vice President in July 2009. Akashi Kikai is a company that manufactures and sells automotive parts. In February 2012, Akashi Kikai established Akashi Kikai Industry (M) Sdn Bhd, a subsidiary in Malaysia, where he was appointed as the Managing Director of Akashi Kikai Industry (M) Sdn Bhd (“Akashi Kikai Malaysia”) and he was tasked to manufacture an automatic transmission in Malaysia. He held this position until his retirement in June 2016. He then remained as an Advisor to support the new managing director by providing production and development advice until September 2017.

He was appointed as Corporate Advisor to AGSB on 26 November 2018 to render his mentorship in automotive production management, problem-solving and best practices for efficiency in operations. He was subsequently redesignated as Chief Business Development Officer on 26 May 2023 assuming the same role.

Save for our Company, he does not sit on the board of directors of any other public listed companies.

## PROFILE OF BOARD OF DIRECTORS



### DATO' TANG NGAT NGOH

Independent Non-Executive Director

**Dato' Tang Ngat Ngoh @ Lisa**, female, a Malaysian aged 64, is our Independent Non-Executive Director. She was appointed to our Board on 15 December 2023. She is also the Chairperson of our Nomination and Remuneration Committee and a member of our Audit and Risk Management Committee.

She graduated with a Bachelor of Science Education (Chemistry) from University Science Malaysia in 1986. In 1999, she completed her Master of Science from University of Malaya and graduated from the Chartered Governance Qualifying Programme of the Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators). She then became the associate member of the Malaysian Institute of Chemistry and the Malaysian Institute of Chartered Secretaries and Administrators (an affiliate body to the Chartered Governance Institute) in 2006 and 2009 respectively.

She began her career as a trainee in April 1987 in the Malaysian Police Training Centre with Royal Malaysia Police ("RMP"). In February 1988, she served as an Operation

Officer and then served as an Investigating Officer in the Criminal Investigation Department at the Kuala Lumpur Police Contingent Headquarters until July 1993, where she was primarily involved in investigating criminal cases and carrying out crime prevention activities. In the same month, she was posted to the Narcotics Criminal Investigation Department as an Operation Officer, in the Bukit Aman RMP Headquarters, where she worked on criminal cases and conducted arrest operations. She was then promoted as a Deputy Superintendent of Police in March 1999 and served as a senior lecturer in the Forensic Science Unit of the RMP College of Kuala Lumpur ("RMPC") until November 2007. She was promoted as Superintendent of Police in November 2007 to act as the Head of DNA Analysis Section of the RMP Forensic Laboratory and she assisted the RMP Forensic Laboratory to attain accreditation status under MS ISO 17025 in 2013. In August 2013, she was promoted to Assistant Commissioner of Police and then became the Principal Assistant Director of the DNA Databank Division of RMP until February 2020, where her responsibilities included supervising and managing

the Forensic DNA Databank of Malaysia. In February 2020, she was promoted to Senior Assistant Commissioner of Police and served as the Head of Strategic Policy Division in the Inspector General of Police Secretariat (Research & Development) of RMP, where she was mainly responsible for making strategic policies and ensuring that the policies were implemented, until she retired in March 2021.

In recognition for her services to the RMP over the past 34 years, she was awarded with Darjah Kebesaran Kepahlawanan Pasukan Polis Diraja Malaysia – Panglima Setia Pasukan Polis ("PSPP") and Darjah Kebesaran Yang Mulia Mahkota Wilayah – Kesatria Mahkota Wilayah ("KMW") awards from the Kebawah Duli Yang Maha Mulia Seri Paduka Baginda Yang di-Pertuan Agong in October 2013 and February 2014 respectively. She was conferred with the Darjah Indera Mahkota Pahang, which carries the title of Dato' by the Sultan of Pahang in May 2021.

She was also appointed as an Independent Non-Executive Director of the Revenue Group Berhad on 24 March 2023.

## PROFILE OF BOARD OF DIRECTORS



### DATUK NOOR AZIAN BINTI SHAARI

Independent Non-Executive Director

**Datuk Noor Azian Binti Shaari**, female, a Malaysian aged 76, is our Independent Non-Executive Director. She was appointed to our Board on 15 December 2023. She is also a member of our Audit and Risk Management Committee and Nomination and Remuneration Committee.

She is a Barrister-at-Law, having been called to the Bar by the Honourable Society of Lincoln's Inn, United Kingdom in July 1971. She joined the Judicial and Legal Service upon returning to Malaysia in November 1971 until her retirement in July 2004. During her tenure in the Judicial and Legal Service, she held various positions including a Chairman of the Special Commissioners for Income Tax where she heard and decided on tax appeal cases.

After her retirement from the Judicial and Legal Service in 2004, she was appointed as a Judicial Commissioner in 2005 before her appointment as a Judge of the High Court of Malaya in September 2007. She presided over cases in the Commercial, Civil and Criminal Divisions. Datuk Noor Azian Binti Shaari retired from her position as a High Court Judge in 2014.

After her retirement as a High Court Judge, she was appointed as an Independent Non-Executive Director of Deleum Berhad ("Deleum") (a company listed on the Main Market of Bursa Securities) in January 2015. As a Board member of Deleum, she was a member of the Joint Remuneration and Nomination Committee and Board Risk Committee. Her roles in these committees included assessing the effectiveness of the Board as a whole and overseeing the implementation of risk management framework. She resigned from her directorship in April 2022.

In October 2016, Datuk Noor Azian Binti Shaari was appointed as an Independent Non-Executive Director of Affin Hwang Investment Bank Berhad and she was the Chairman of the Nomination and Remuneration Committee ("NRC") and a member of the Board Risk Management Committee ("BRMC"). As the Chairman of NRC, her responsibilities included overseeing the overall composition of the Board and undertaking annual review. Her role as a member of BRMC included ensuring that the risk management framework, policies, infrastructure and controls (including procedures and processes) adequately

protected the bank against risks. She also represented Affin Hwang Investment Bank Berhad to sit on the Group Board Nomination and Remuneration Committee and Group Board Compliance Committee of Affin Bank Berhad. She was generally responsible for reviewing the diversity and matrix skills of the Board management, assessing and examining the adequacy of compliance and integrity, as well as governance frameworks for the bank. In October 2022, she retired from Affin Hwang Investment Bank Berhad as a director upon completion of her tenure.

She is an Independent Non-Executive Director of Mesiniaga Berhad since July 2019 and is a member of the Audit and Risk Management Committee. As a member of the Audit and Risk Management Committee, she oversees risk management in cybersecurity, ethics and integrity compliance, and regulatory compliance.

Datuk Noor Azian Binti Shaari is a Registered Arbitrator with the Asian International Arbitration Centre Kuala Lumpur.

## PROFILE OF BOARD OF DIRECTORS



### CHAN YAN SAN

Independent Non-Executive Director

**Chan Yan San**, male, a Malaysian aged 55, is our Independent Non-Executive Director. He was appointed to our Board on 15 December 2023. He is also the Chairman of our Audit and Risk Management Committee and a member of our Nomination and Remuneration Committee.

He obtained his Bachelor of Commerce in Accounting from the University of New South Wales in June 1993. He is a Certified Practising Accountant of CPA Australia since September 1996 and a Chartered Accountant of Malaysian Institute of Accountants since June 2001.

He began his career with Arthur Andersen & Co in February 1993 as a Staff Assistant and left as a Manager in June 2000. He joined Federal Paint Factory Sdn Bhd as a Finance Manager in June 2000 and was promoted as Chief Executive

Officer in September 2001 where he oversaw the company's marketing and business development activities, implementation of approved development plans and policies.

In July 2004, he left Federal Paint Factory Sdn Bhd and joined Prestasi Flour Mill (M) Sdn Bhd as a Financial Controller in September 2004. He then left Prestasi Flour Mill (M) Sdn Bhd in September 2005 to be the Group Financial Controller of Furniweb Industrial Products Berhad (now known as PRG Holdings Berhad) ("Furniweb"). In June 2008, he was promoted as Furniweb's Chief Financial Officer and was responsible for all accounting, finance, human resources, administration and information technology matters.

He left Furniweb in April 2014 and joined Poney Resources Sdn Bhd as a Chief Financial Officer on 15 April

2014. In June 2014, he left Poney Resources Sdn Bhd and, joined Rhone Ma Malaysia Sdn Bhd, now a subsidiary of Rhone Ma Holdings Berhad, as a Finance Director in July 2014 and is mainly responsible for the company's financial and accounting, human resources and commercial services.

In March 2023, he was appointed as a director of Jemaluang Dairy Valley Sdn Bhd, an associate company of Rhone Ma Holdings Berhad.

## PROFILE OF BOARD OF DIRECTORS

### Notes:

#### Family Relationship with any Director and/or Major Shareholder

Datin See Hui Pvng, our major shareholder and Group Managing Director, and Ivy See, our substantial shareholders are sisters.

Save as disclosed above, none of the Directors has any family relationship with any Director and/or major shareholder of the Company.

#### Conflict of Interest and Potential Conflict of Interest

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

#### Conviction for Offences

Other than traffic offences, if any, the Directors have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.

## PROFILE OF KEY SENIOR MANAGEMET



### SIA BOON HUAT

Business Development  
Senior Manager



**Sia Boon Huat**, male, a Malaysian aged 49, is our Business Development Senior Manager and is primarily responsible for business development and providing engineering and logistic support in our Group.

He graduated from Kolej WIT, Malaysia with a Diploma in Architecture in 1997.

In March 1998, he joined Cycleworld Corporation Sdn Bhd as their Technical Assistant, where he was involved in design, quantity survey and project management. In August 2002, he left Cycleworld Corporation Sdn Bhd and took a career break from September 2002 to February 2004. In March 2004, he joined Dras Refrigeration Sdn Bhd as their Designer and Side Coordinator until September

2005. Thereafter, he took a 1 month break and in November 2005, he joined Cycleworld Resources Sdn Bhd as their Project and Marketing Manager. In November 2006, he joined Euro Damai Sdn Bhd as their Project and Marketing Manager.

In October 2009, he left Cycleworld Resources Sdn Bhd and resigned from Euro Damai Sdn Bhd. He then took a career break before joining AGSB as a Customer Relations Manager in May 2010 to build and maintain good business relationship between AGSB and its customers. In recognising of his capability, he was then promoted to be the Head of Department of the Engineering Department in May 2011 to support the monitoring of projects. In August 2016, he was re-designated as Business Development cum Operations,

Senior Manager and was in charge marketing, production delivery and quality control.

In April 2021, he was transferred to our Operation/Logistic Department to support and assist in the internal improvement of AGSB's logistic activities. In July 2022, he was re-designated as Sales and Logistics Senior Manager and re-designated again as Senior Manager in December 2022. He is a long-serving employee of AGSB for 14 years, since his attachment in 2010.

## PROFILE OF KEY SENIOR MANAGEMENT



**ENG  
SHU LING**  
Finance Controller



**Eng Shu Ling**, female, a Malaysian, aged 35, is our Finance Controller since May 2018. She is a member of the CPA Australia since 2016 and a Chartered Accountant under the Malaysian Institute of Accountants (MIA) since 2017. Prior to this, she completed her Foundation in Arts from Help University College in 2009, and pursued for Bachelor of Arts with Second Class (Upper Division) Honours in Accounting and Finance from University of East London in 2012. During this period, she was awarded for the Best Subject Performance in FE3025 Issues and Controversies in Accounting, and CPA Australia Book Prize Award in 2011 by the Help University College. Upon graduation, she continued and obtained her Master of Accounting and Finance from Help University in 2013.

She began her career with Deloitte PLT Malaysia in March 2013 as an Audit Staff Assistant I and spent about five (5) years prior to leaving Deloitte PLT Malaysia as an Audit Manager in March 2018. Throughout this period, she acquired extensive audit experience across diverse industries, including manufacturing, property development, trading, for both private limited and public listed companies in Malaysia. She was also assigned for a 9-month secondment programme to the Malaysian Accounting Standards Board in September 2014 and attendance to the Deloitte SEA Professional Service Excellence Programme.

She left Deloitte Malaysia in March 2018 to join AGSB in May 2018 as a Finance Controller. She heads the Department for Finance and

Procurement Department of AGSB. Her responsibilities include financial accounting, financial management, cashflow management, financial budgeting and taxation of AGSB as well as engaging with all external stakeholders in relation to accounts, banking and finance, secretarial, taxation matters for AGSB. In addition, she holds the responsibility of planning, coordinating, and overseeing the procurement process, suppliers' engagement, and efficient utilisation of materials and inventory management for all the raw materials and supplies within AGSB.

## PROFILE OF KEY SENIOR MANAGEMENT



**OON  
PEY YANG**  
Plant Manager



**Oon Pey Yang**, male, a Malaysian, aged 41 years and had obtained a Bachelor Degree in Mechanical Manufacturing and Automation from Hua Qiao University, China in June 2006. He is our Plant Manager who has more than fifteen (15) years of experience in the automotive manufacturing operations, covering production planning, machine and facility maintenance, quality management, product development as well as process optimization and tooling design.

Upon graduation, he returned to Malaysia and in August 2006, he commenced his career with NJ Manufacturing Industries Sdn Bhd, as a Computer-aided Design (“CAD”) / Computer-aided Manufacturing (“CAM”) Engineer. He was responsible for conducting reverse engineering on part modelling and die surfaces, as well as coordinating with toolmaker for troubleshooting and process improvement during part trials. In December 2009, he was transferred from NJ Manufacturing Industries

Sdn Bhd to MJ Manufacturing Industries Sdn Bhd, a hundred percent (100%) wholly owned subsidiary of New Hoong Fatt Holdings Berhad (“NHF”). He was then promoted to Senior Engineer (E2) of the Technical Department. In 2011, he was selected by NHF to participate in the “New Hoong Fatt’s Feeder Programme”, an initiative aimed at accelerating the development of future leader within NHF. Upon the completion of the programme, he was promoted as the Head of Laser Department in April 2011. He managed maintenance and troubleshooting of Trumpf Laser machines (TLC1005, TruLaserCell7040) and supervised laser jig design and programming trial for new products.

In April 2013, he assumed the position of Head of Programming Department, he was responsible for monitoring daily programming projects of Computer Numerical Control (“CNC”) machines, overseeing the design and programming of laser jigs for new items, and optimizing machine

processes to reduce lead time for part trials. In June 2014, he was promoted to Assistant Manager (E3) in Design & Development division of the Metal Department.

In August 2016, he took on the role as the Head of CAD/CAM Department. His primary responsibilities included ensuring the timely delivery of new products, creating tooling designs, 3D Surface Modelling, CNC Machine programmes fulfilling required specifications. In December 2016, he was certified by Dassault Systemes as a “CATIA V5R20 Part Design Specialist”. Additionally, he attended the 1Malaysia Grip Programme, and completed the course on “Automotive 3D Design Certification Programme” by Malaysian Automotive Component Parts Manufacturers and IME CAD/CAM Training Centre Sdn Bhd.

## PROFILE OF KEY SENIOR MANAGEMENT

### BOON PEY YANG (CONT'D)

He then took on the additional role as Tooling Manager in the Design and Development Department. As his responsibilities grew, he was required to define new product tooling process to achieve cost-effectiveness, improved quality, and faster mould fabrication. He ensured consistent development flow for new tooling, managed the fabrication of moulds and dies and machinery to support new product launches, maintained quality control. He also provided assistance to the toolmakers in the tool and die fabrication process, ensuring adherence to specifications and accuracy of the products.

He left MJ Manufacturing Industries Sdn Bhd in September 2018 to join

AGSB as the Technical Manager. In July 2022, he was promoted as our Operations Manager, where his primary responsibilities include supervising the manufacturing personnel to ensure the production of high quality and cost-effective products in a timely manner. He oversees the hiring, orientation and training processes for technical production employees to maintain a competent workforce. Furthermore, he conducts studies and research to introduce more effective approaches for production, analyses and resolves manufacturing challenges, and reviews the cost structure for new project quotations to ensure competitive and profitable pricing of the products. He works

closely with the Marketing and Finance Department to implement strategies aimed at enhancing sales performance and achieving sales target. On 1 July 2024, he was redesignated as our Plant Manager to better reflect his role in managing our Telok Panglima Garang ("TPG") factory, the Group's sole principal place of business.

## PROFILE OF KEY SENIOR MANAGEMENT

### Notes:

#### **Family Relationship with any Director and/or Major Shareholder**

None of the key senior management has any family relationship with any Director and/or major shareholder of the Company.

#### **Directorship in Public Companies and Listed Issuers**

None of the key senior management has any directorship in public companies and listed issuers.

#### **Conflict of Interest and Potential Conflict of Interest**

None of the key senior management has any conflict of interest and potential conflict of interest with the Company.

#### **Conviction for Offences**

Other than traffic offences, if any, the key senior management have not been convicted of any offences within the past five (5) years and have not been imposed any public sanction or penalty by the relevant regulatory bodies during the financial year ended 31 December 2024.

# CHAIRPERSON'S STATEMENT



**Dear Valued Stakeholders,**

It is with great pride that I present KHPT Holdings Berhad's maiden Annual Report as a publicly listed company for the financial year ended 31 December 2024. This year marked a significant milestone in our journey—not only did we successfully made a debut on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities") on 8 October 2024, but we did so while navigating a dynamic business landscape with resilience and commitment.

Our initial public offering ("IPO") was more than just a financial achievement; it was the result of three decades of dedication in the automotive industry and a testament to the trust placed in us by our customers and business partners. As we embrace this new chapter, we remain focused on innovation, operational excellence, and sustainable growth, ensuring long-term value for all our stakeholders.



## CHAIRPERSON'S STATEMENT

### STRENGTH IN ADVERSITY: DRIVING FORWARD WITH CONFIDENCE



The automotive industry in Malaysia remained as a highly challenging and competitive environment in FY2024, this was shaped by the ever-evolving market dynamics, inflationary pressures, and shifting consumer preferences. Despite these challenges, KHPT had continuously reinforced its market competitiveness through its unrelenting commitment in delivering high-quality yet precise-engineered products and components, as well as a relentless drive for innovation and operational efficiency in serving its long-term local car manufacturer customers, namely, both the OEM and Tier 1, beside achieving its operational and financial performance for its stakeholders and market position as well.

Our financial performance for FY2024 reflected both the challenges and opportunities in our industry. We recorded total revenue of RM105.02 million, a slight decline from the recorded revenue of RM114.08 million in the previous year. The one-off listing expenses of RM3.01 million impacted our bottom line, resulting in a reported Profit Before Tax (PBT) of RM4.47 million and Profit After Tax (PAT) of RM2.65 million. However, after adjusting for this one-off charged out expense, our underlying financial strength remains solid, with an adjusted PBT of RM7.48 million and adjusted PAT of RM5.66 million.

Through our resilience, unrelenting commitment and strategic execution, KHPT continues to drive forward with confidence, strengthening its position as a trusted Tier 1 and Tier 2 supplier in the Malaysia's automotive industry.

### DRIVING PROGRESS: INNOVATION, SUSTAINABILITY, AND GROWTH



At KHPT, we don't just keep pace with the industry development—we strive to set new benchmarks in our journey. In FY2024, we undertook various strategic initiatives to enhance our manufacturing capabilities, efficiency improvement, as well as market position strengthening in the automotive industry.

As part of our commitment to Industry 4.0, KHPT has commenced its data-driven IoT and digitalisation by integrating a smart manufacturing technology with built-in real-time data analytics and automated system into its operation to further enhance the operational efficiency and precision. The digitalised smart manufacturing technology has enabled us to optimise our production capacity, waste reduction, and product quality improvements. These advancements enable us to stay competitive while adapting to the evolving demands of the automotive sector.

## CHAIRPERSON'S STATEMENT

### STRENGTH IN ADVERSITY: DRIVING FORWARD WITH CONFIDENCE (CONT'D)

Beyond operational improvements, we also formalized our commitment to Environmental, Social, and Governance (ESG) standards, aligning with Bursa Securities' guidelines and investor expectations. For KHPT, sustainability is not just about compliance—it is embedded in how we operate, innovate, and engage with stakeholders. We have implemented measures to reduce our carbon footprint, optimize energy consumption, and integrate circular economy principles to minimize waste in our production processes.

A major step in our sustainability journey is our focus on carbon emission reporting, ensuring transparency in our environmental impact and progress towards greener operations. By leveraging data and digital tools, we are building a more resource-efficient and environmentally responsible operation. Our efforts in upgrading existing machineries have already led to a 25% reduction in electricity consumption and noise pollution, improving both energy efficiency and workplace health and safety conditions.

Our commitment to sustainability extends beyond environmental initiatives. At KHPT, we champion diversity, equity, and inclusion ("DEI"), with a 66.7% female members with diverse background and experiences composition in our Board - demonstrating the value of diverse leadership in driving business success. We also continue to invest in employee well-being, training, and safety, ensuring a positive and empowering workplace culture.

Looking ahead, KHPT is focusing on expanding beyond the Malaysian market and exploring potential opportunities in new automotive products as well segments, including electric vehicle (EV) components. Our in-house engineering expertise and process innovation capabilities position us strongly for this transition. By integrating sustainability with operational excellence, we are building a future that is both resilient and progressive.

### APPRECIATION & FORWARD OUTLOOK

The achievements of KHPT Holdings Berhad would not have been possible without the unwavering support of our shareholders, customers, business partners, employees, and other stakeholders. Your trust, collaboration, patience and commitment have been instrumental in shaping our success and propelling us forward.

To our Board of Directors, your strategic guidance and leadership have been invaluable. To our management and workforce, your dedication, resilience, and pursuit of excellence continue to drive KHPT's growth and innovation. To our shareholders, we deeply appreciate your confidence in our vision and our ability to deliver long-term, sustainable value.

As we embark on the next phase of our journey, we remain steadfast in our commitment to operational excellence, innovation, and sustainability. We will continue to strengthen our foundations, expand our capabilities, and unlock new opportunities to create enduring value for all stakeholders.

With that, I look forward to an exciting and transformative future for KHPT.

Thank you.

**DATUK NORIPAH BINTI KAMSO**  
*Independent Non-Executive Chairperson*

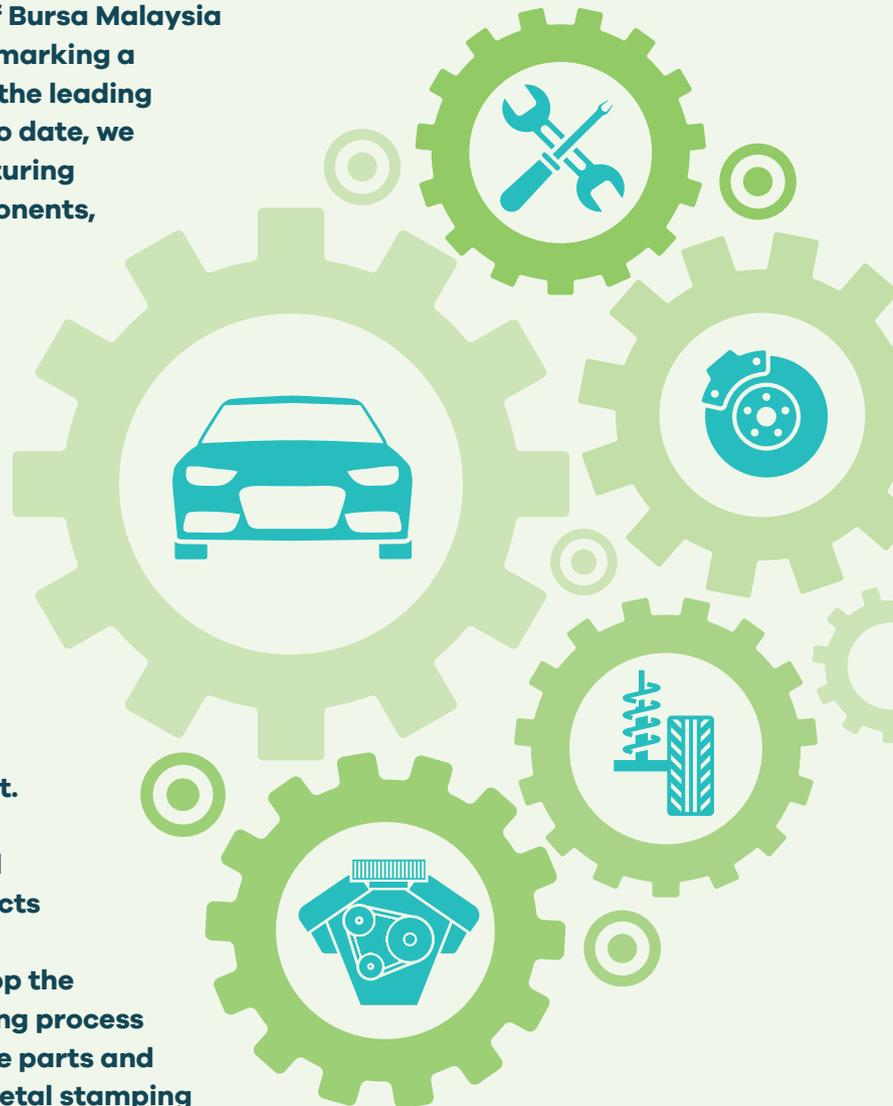
# MANAGEMENT DISCUSSION & ANALYSIS

## OVERVIEW OF THE GROUP'S BUSINESS AND OPERATIONS

### KHPT HOLDINGS BERHAD

is an investment holding company to consolidate its subsidiary and on 8 October 2024, the Group successfully listed on the ACE Market of Bursa Malaysia Securities Berhad ("Bursa Securities"), marking a key milestone in our journey to become the leading automotive parts manufacturer. As at to date, we are principally involved in the manufacturing and sale of automotive parts and components, comprising body parts, seat structures and other parts (i.e. engine parts and absorber parts). We are engaged by our customers to manufacture customised automotive parts and components according to our customers' requirements and precise technical specifications.

These automotive parts and components are used in the assembly of new automotive vehicles for the production market, or as spare parts for service, repair and maintenance of used vehicles in the replacement market. Our expertise and capabilities in the manufacturing of automotive parts and components cover a wide range of aspects from dies solution services and process engineering which we design and develop the dies and jigs as well as the manufacturing process for the manufacturing of our automotive parts and components to metal stamping using metal stamping technique, which is a cold forming process that uses dies to transform a flat sheet of metal (in coil or blank form) into desired shapes. We also provide sub-assembly services upon request by our customers, where we assemble two or more automotive parts manufactured by the Group to form sub-assembled components.



# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL HIGHLIGHTS

The following table sets out the financial highlights of the audited consolidated financial information for the past 2 financial years ended 31 December (“FY”) 2023 and 2024.

	AUDITED	
	FY2023	FY2024
Revenue (RM'000)	114,082	105,015
Profit before tax (“PBT”) (RM'000)	8,413	4,469
Finance costs (RM'000)	356	282
Net profit attributable to shareholders (RM'000)	5,533	2,647
Shareholders' equity (RM'000)	32,626	55,296
Total assets (RM'000)	58,730	78,506
Total borrowings (RM'000)	6,869	4,751
Current ratio (times)	1.31	2.47
Gearing ratio (times)	0.21	0.09
Earnings per share (sen) <sup>(1)</sup>	2,213.37	0.84
Net assets per share (sen) <sup>(2)</sup>	130.50	0.14
Dividend per share (sen)	400 <sup>(3)</sup>	N/A <sup>(4)</sup>

### Notes:

<sup>(1)</sup> Earnings per share is calculated based on the Group's combined issued share capital 250,002 ordinary shares as at 31 December 2023 and the Company's issued share capital of 402,386,413 ordinary shares as at 31 December 2024. There are no potential dilutive securities in issue during the respective Financial Year End.

<sup>(2)</sup> Net assets per share is calculated based on the Group's combined issued share capital 250,002 ordinary shares as at 31 December 2023 and the Company's issued share capital of 402,386,413 ordinary shares as at 31 December 2024.

<sup>(3)</sup> Dividend per share is calculated based on the Group's combined issued share capital 250,002 ordinary shares as at 31 December 2023.

<sup>(4)</sup> N/A = Not applicable.  
 There was no dividend recommend or paid by the Board's in respect to FY2024.

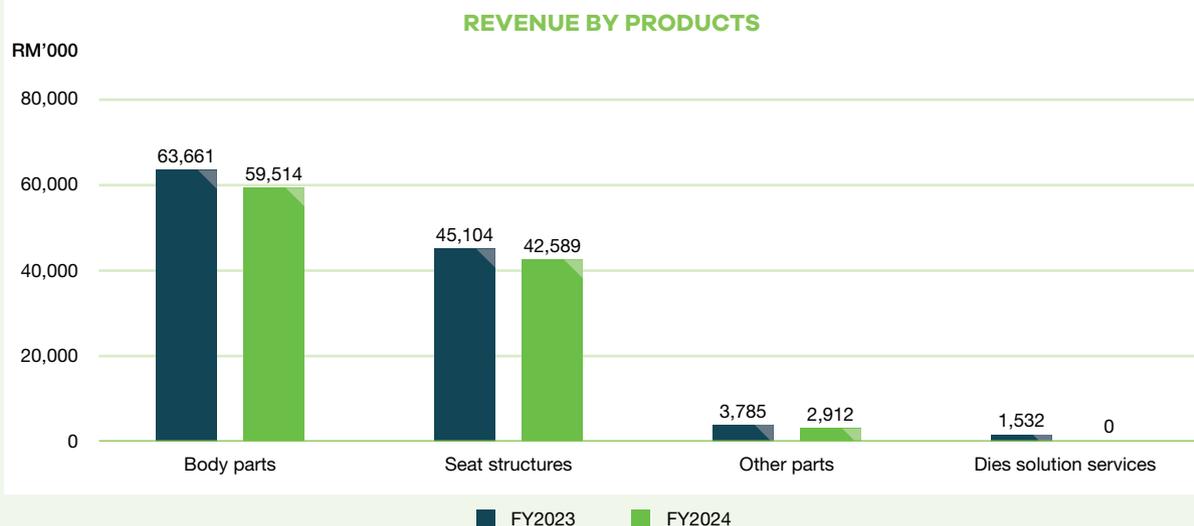
## MANAGEMENT DISCUSSION & ANALYSIS

### REVIEW OF FINANCIAL RESULTS (CONT'D)

#### Revenue

Our Group's revenue by products is tabulated as below:

REVENUE BY PRODUCTS	AUDITED		VARIANCE	
	FY2023 RM'000	FY2024 RM'000	RM'000	%
Automotive parts and components:				
- Body parts	63,661	59,514	(4,147)	(6.51)
- Seat structures	45,104	42,589	(2,515)	(5.58)
- Other parts	3,785	2,912	(873)	(23.06)
Dies solution services	1,532	-	(1,532)	(100.00)
<b>Total</b>	<b>114,082</b>	<b>105,015</b>	<b>(9,067)</b>	<b>(7.95)</b>



For the FY2024, our Group's revenue has decreased by RM9.06 million or 7.94% to RM105.02 million for FY2024 (FY2023: RM114.08 million), mainly due to lower revenue generated from our body parts and seat structures, which collectively decreased by RM6.67 million or 6.13% to RM102.10 million for FY2024 (FY2023: RM108.77 million).

Revenue from the body part and seat structures were our primary revenue contributor, which collectively contributing RM102.10 million or 97.23% of our total revenue for FY2024 (FY2023: RM108.77 million or 95.34%).

Our Group recorded a decrease in revenue for body parts by RM4.15 million or 6.52% to RM59.51 million for FY2024 (FY2023: RM63.66 million) mainly due to (i) lower orders for two Proton's car models; (ii) engagement in new orders from customer that yielded lower profit margins; and (iii) the phasing out of a Proton's car model in Oct 2023. However, this decrease was partially offset by an increase in sales from a customer, primarily due to higher orders for two Proton's car models and three Perodua's car models.

# MANAGEMENT DISCUSSION & ANALYSIS

## REVIEW OF FINANCIAL RESULTS (CONT'D)

### Revenue (Cont'd)

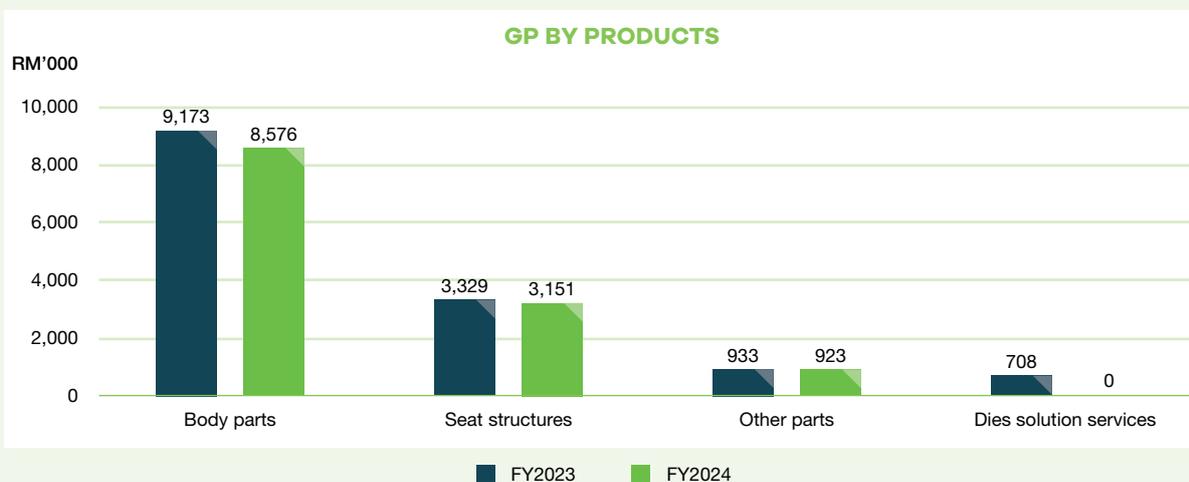
For seat structures, our Group recorded decreased revenue of RM2.51 million or 5.57% to RM42.59 million for FY2024 (FY2023: RM45.10 million) mainly due to lower orders from customers as a result of lower sales volume, primarily due to two Proton's car models.

Our Group's also recorded a decrease for other parts by RM0.88 million or 23.22% to RM2.91 million for FY2024 (FY2023: RM3.79 million) mainly due to our Group focusing to manufacture engine part which yield better margin due to higher precision requirements and no revenue for dies solution services was recorded for FY2024 due to there were no manufacturing process of dies and jigs secured in FY2024.

### Gross Profit ("GP")

Our Group's GP by products is tabulated as below:

GP BY PRODUCTS	AUDITED		VARIANCE	
	FY2023 RM'000	FY2024 RM'000	RM'000	%
Automotive parts and components:				
- Body parts	9,173	8,576	(597)	(6.51)
- Seat structures	3,329	3,151	(178)	(5.35)
- Other parts	933	923	(10)	(1.07)
Dies solution services	708	-	(708)	(100.00)
<b>Total</b>	<b>14,143</b>	<b>12,650</b>	<b>(1,493)</b>	<b>(10.56)</b>



Our Group's GP decreased by RM1.49 million or 10.56% to RM12.65 million for FY2024 (FY2023: RM14.14 million), mainly due to lower GP for certain products for FY2024 as a result of lower revenue recorded for FY2024 as explained above.

## MANAGEMENT DISCUSSION & ANALYSIS

### REVIEW OF FINANCIAL RESULTS (CONT'D)

#### PBT and Profit After Tax ("PAT")

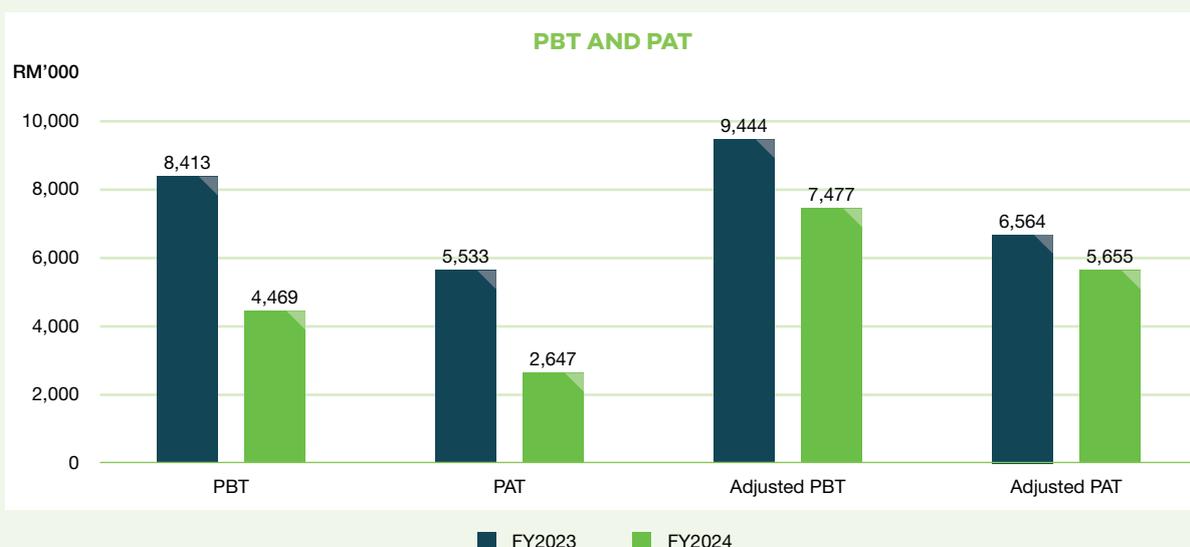
Our Group's PBT and PAT are tabulated as below:

	AUDITED		VARIANCE	
	FY2023 RM'000	FY2024 RM'000	RM'000	%
PBT	8,413	4,469	(3,944)	(46.88)
PAT	5,533	2,647	(2,886)	(52.16)
Adjusted PBT	9,444 <sup>(1)</sup>	7,477 <sup>(2)</sup>	(1,967)	(20.83)
Adjusted PAT	6,564 <sup>(1)</sup>	5,655 <sup>(2)</sup>	(909)	(13.85)

#### Notes:

<sup>(1)</sup> Other expenses included one-off impairment loss on the non-current asset held for sale of RM1.03 million charged out to profit or loss during FY2023. The impairment loss represented the write-down of the investment property. For further information, kindly refer to the Prospectus of the Company dated 19 September 2024.

<sup>(2)</sup> Other expenses included one-off listing expenses of approximately RM3.01 million charged out to profit or loss during FY2024. For illustrative purposes only, the PBT and PAT after adjusting for the one-off listing expenses is as above.



Our Group's PBT decreased by RM3.94 million or 46.85% to RM4.47 million for FY2024 (FY2023: RM8.41 million), mainly due to lower GP for FY2024 as explained above and higher other expenses as a result of there were one-off listing expenses of RM3.01 million incurred for FY2024.

Correspondingly, our Group has also registered a decrease in PAT by RM2.88 million or 52.08% to RM2.65 million for FY2024 (FY2023: RM5.53 million).

# MANAGEMENT DISCUSSION & ANALYSIS

## FINANCIAL POSITION

AS AT 31 DECEMBER	AUDITED		VARIANCE	
	FY2023 RM'000	FY2024 RM'000	RM'000	%
Total assets	58,730	78,506	19,776	33.67
Total liabilities	26,104	23,211	(2,893)	(11.08)
Total shareholders' equity	32,626	55,296	22,670	69.48
Fixed deposits with licensed banks as well as cash and bank balance	12,384	37,636	25,252	203.91

### Total Assets

Our Group's total assets increased by RM19.78 million or 33.68% to RM78.51 million as at 31 December 2024 (as at 31 December 2023: RM58.73 million), mainly due to increase in fixed deposits with licensed banks as well as cash and bank balances, contributed primarily by proceeds from the public issue in conjunction with our listing on the ACE Market of Bursa Securities ("Public Issue") as well as internally generated funds from our business in FY2024.

### Total Liabilities

Our Group's total liabilities decreased by RM2.89 million or 11.07% to RM23.21 million as at 31 December 2024 (as at 31 December 2023: RM26.10 million), mainly due to decrease in term loans as scheduled term loan repayments as well as decrease in bankers' acceptances as lower utilisation of bankers' acceptances facilities.

### Total Shareholders' Equity and Capital Structure

Our Group's total shareholders' equity increased by RM22.67 million or 69.48% to RM55.30 million as at 31 December 2024 (as at 31 December 2023: RM32.63 million), mainly resulting from the issuance of shares pursuant to the listing and acquisition of a subsidiary as well as the increase in our retained earnings that resulted from the net profits recorded for FY2024.

### Liquidity and Capital Resources

Our Group manage our cash reserves strategically, ensuring we meet financial obligations, have a buffer for business expansion, and navigate potential economic challenges. For FY2024, our Group's fixed deposits with licensed banks as well as cash and bank balances increased by RM25.26 million or 204.04% to RM37.64 million as at 31 December 2024 (as at 31 December 2023: RM12.38 million), mainly due to proceeds from the Public Issue as well as internally generated funds from our business in FY2024.

### Capital Expenditure

Our Group recorded a decrease in capital expenditure by RM3.27 million or 59.13% to RM2.26 million for FY2024 (FY2023: RM5.53 million) primarily due to in FY2023 our Group has purchased new press machine amounting to approximately RM2.51 million and the upgrade of the existing machines' motor to servo motor amounting to approximately RM1.26 million for better energy management.

### Review of Operating Activities

Our parts and components are used in the assembly of local automotive vehicles, including top selling automotive brands in Malaysia, such as Proton and Perodua. As a result, we are dependent on these brands as well as the performance of the Malaysian automotive market. We will continue to strengthen our ability to meet our customers' specifications and requirements, competitive pricing, timely delivery of products, as well as continued customer service to maintaining our relationships with our customers to mitigate the impact on our future operation.

## MANAGEMENT DISCUSSION & ANALYSIS

### FINANCIAL POSITION (CONT'D)

#### Key Financial Ratios

	AUDITED	
	FY2023	FY2024
Trade receivables turnover period (days)	49	45
Trade payables turnover period (days)	59	59
Inventories turnover period (days)	17	15
Current ratio (times)	1.31	2.47
Gearing ratio (times)	0.21	0.09

Our trade receivables turnover periods for FY2023 and FY2024 were 49 days and 45 days, respectively, which were within our normal credit terms (i.e. range from 30 days to 90 days) granted to our customers.

Our trade payables turnover period for FY2024 was 59 days, which were relatively consistent as compared to FY2023.

Our inventory turnover period reduced to 15 days for FY2024 is relatively consistent as compared to 17 days for FY2023.

Our current ratios for FY2023 and FY2024 were 1.31 times and 2.47 times. This indicates that our Group is able to meet our current obligations as our current assets, such as inventories and trade receivables, which can be readily converted into cash, together with our fixed deposits and bank balances is sufficient to meet our current liabilities.

Our gearing ratio decreased from 0.21 times to 0.09 times as at 31 December 2024 primarily due to the issuance of shares pursuant to the listing and acquisition of a subsidiary as well as our Group's increased retained profits arising from net profits recorded during FY2024 and the decrease in bank borrowings mainly due to scheduled term loan repayments and lower utilisation of bankers' acceptances facilities.

### ANTICIPATED OR KNOWN RISK



#### (i) Risk of shortages and/or delays in the supply of raw materials

The primary raw materials used in our manufacturing activities are steel coils and steel cut sheets. The nature of our operations requires us to obtain sufficient quantities of raw materials in timely manner to continue our operations and meet the demand from our customers, in order to avoid production downtime to our customers' operations which may affect the supply chain of the final production of complete vehicles. We rely on local steel suppliers who are the approved steel suppliers of our customers, as well as some of our major customers who are also our steel suppliers, for the supply of steel coils and steel cut sheets. While these raw materials are generally readily available, there can be no assurance that there will not be any shortages and/or delays in the supply of raw materials from our steel suppliers due to unforeseen reasons such as unexpected disruptions at the approved local steel suppliers' premises, disruptions to the delivery of raw materials to our TPG Factory, and/or general shortage of the relevant raw materials in the market. Further, there is also no assurance that we will be able to obtain raw materials at similar specifications from other steel suppliers that are approved by our customers in a timely manner.

# MANAGEMENT DISCUSSION & ANALYSIS

## ANTICIPATED OR KNOWN RISK (CONT'D)



### (ii) Exposure to credit risk and default payment by customers

We generally grant our customers a credit period of 30 days to 90 days upon the delivery of goods. In the event of not receiving payment within the credit period or default in payment by our customers, our operating cash flows or financial results of operations may be adversely affected. Further, it may also lead to impairment losses on financial assets or writing-off of trade receivables as bad debts, which may adversely affect our financial performance.



### (iii) Insecure funding

Our ability to obtain external financing is subject to various uncertainties, including our future results of operations, financial condition and cash flows, the performance of the Malaysian economies, the cost of financing and the condition of financial markets, and the continued willingness of banks to provide new loans. There is no assurance that any required financing, either on a short-term or long term basis, will be made available to us on terms satisfactory to us or at all. If adequate funding is not available when needed, or is available only on unfavourable terms, meeting our capital needs or otherwise taking advantage of business opportunities or responding to competitive pressures may become challenging, which could have a material and adverse effect on our business, financial condition and results of operations.



### (iv) Dependence on the performance of the Malaysian Automotive Market

Our business performance is closely tied to the automotive market in Malaysia, particularly the demand for Proton and Perodua vehicles, as the parts and components we manufacture and supply are used in the assembly of these vehicles. An increase in sales of Proton and Perodua vehicles results in a higher need for the parts and components required for their production, which in turn drives the demand for our products. The performance of the automotive market in Malaysia is influenced by factors such as the recovering economy, rising disposable income among Malaysian consumers, the country's car-centric culture, and government incentives aimed at supporting the automotive industry.



### (v) Escalating Trade Tension and Potential Impact of Malaysia and Global Economies

Decrease in demand due to adverse economic conditions caused by global escalating Trade Tension.

The recent announcement on tariffs by the United States of America to most countries, including Malaysia, has raised concerns on the anticipated decrease in GDP growth and trade.

Hence, this trade action may pose potential risk globally and adverse economic growth in Malaysia. Any prolonged adverse economic condition may affect businesses and employment rate, which will lead to weakened disposable income to spend on high value goods like the purchase of vehicles. At the time of this report, the sales of Proton and Perodua vehicles are expected less impacted by any adverse economic condition, if any, due to relatively lower pricing as compared to foreign branded vehicles. However, there is no assurance that the sales of local branded vehicles will remain strong during an adverse economic condition. In the event of any slowdown in the demand for Proton and Perodua vehicles, it will adversely affect the demand for our parts and components, which will, in turn, adversely affect our financial performance. We shall be vigilant in closely monitoring this demand risk.

## MANAGEMENT DISCUSSION & ANALYSIS

### FORWARD-LOOKING STATEMENT

#### Outlook

We remain relatively optimistic of our prospects as we view our long-term industry prospects favourably. We believe that there is increasing demand for automotive parts and components arising from stronger sales volume in the affordable automotive segment in the future.

We have been a trusted automotive parts and components supplier to Proton and Perodua for 29 and 24 years, respectively and its sales have been on the rise side, aligning with broader macroeconomic trends such as the national Total Industry Volume. This indicates positive signs, suggesting favorable conditions for the affordable automotive sector.

Aligned with growth expectations, we will persist in supplying automotive parts and components for the affordable automotive segment by enhancing both our automation efforts and production capacity. Additionally, we view recent developments and trends for non-internal combustion engine vehicles (“ICE”), such as the sales and service tax exemption and incentives for battery electric vehicles (“BEV”) facilities offered by the Government, as favourable. Since KHPT specialises in body part and seat structures, which are essential for both ICE and BEV vehicles, we see these trends as beneficial for our continued growth.

We are confident in the execution of our strategic plans due to our prudent management.

Save as disclosed in this annual report and to the best of our Board confirms that there are no known trends and events that are reasonably likely to have a material effect on the group’s operations, performance, financial condition, and liquidity.

#### Dividend

The actual dividend that our Board may recommend or declare in any particular financial year or period will be subject to various factors, such as having profits and excess funds, which are not required to be retained to fund our business. Our Board will consider the these factors when recommending dividends for approval by our shareholders or when declaring any interim dividends.

We target a payout ratio of up to 10% of our profit attributable to the owners of our Company for each financial year on a consolidated basis after taking into account working capital, maintenance capital and committed capital requirements of our Group. The declaration and payment of any dividend is subject to the confirmation of our Board as well as any applicable law, license conditions and contractual obligations and provided that such distribution will not be detrimental to our cash requirements, or any plans approved by our Board.

Notwithstanding the Group’s dividend policy, the Board does not recommend or declare any dividend for the financial year ended 31 December 2024, as the Company was only listed in the fourth quarter of 2024 and recorded a loss after tax for that quarter, primarily due to listing expenses amounting to RM3.01 million.

# SUSTAINABILITY STATEMENT



**KHPT recognises the importance of establishing a strong foundation to create long-term, sustainable value for its stakeholders. The Group is currently in the early stages of developing and implementing its Sustainability Roadmap, which will outline the appropriate methodologies for data collection, monitoring, and reporting of sustainability practices related to its Environmental, Social, and Governance (ESG) impacts within the automotive industry.**

**This Sustainability Statement (“Statement”) should be read alongside the Management Discussion and Analysis, Corporate Governance Overview Statement, Statement on Risk Management and Internal Control, and Corporate Governance Report.**



## Reporting Framework

This Statement has been prepared in accordance with the ACE Market Listing Requirements (AMLR) – Sustainability Reporting Guide (3<sup>rd</sup> Edition) issued by Bursa Securities, with reference to the Global Reporting Initiative (GRI) Standards.

For the current reporting period, the Statement is based on the information presently available. Moving forward, the Group is committed to enhancing the comprehensiveness and transparency of its sustainability disclosures, including the practices, as we continue to strengthen our internal reporting processes.

## Reporting Period and Cycle

1 January to 31 December 2024 (Annually)

## Statement of Use

KHPT’s Management Team assumes responsibility for the preparation of this Sustainability Statement. Its accuracy has been duly reviewed and approved by the Board of Directors (“the Board”), who also acknowledge their overall responsibility for the contents and use of this Statement.

## Reporting Scope and Boundaries

This Statement covers the Group’s primary operations in Malaysia. It excludes joint ventures, vendors, suppliers, or any entities over which the Group does not have control or significant influence.

The scope of this Statement encompasses both financial and non-financial disclosures, including, but not limited to, risks, opportunities, and outcomes that may be attributable to or associated with our key stakeholders.

## Assurance

Any financial data disclosed in this Statement is derived from the Audited Financial Statements section of this Annual Report, which have been audited and assured by our external auditor. The non-financial data and information presented have not been externally assured.

## Limitations

The Group has made every effort to collect both quantitative and qualitative data from internal sources and records to ensure the accuracy and relevance of the information presented in this Statement. While we acknowledge certain gaps in data availability for some relevant indicators, the Group is actively working towards establishing a more comprehensive data collection and tracking mechanism. This will enable us to further enhance the quality and depth of our sustainability disclosures in future Annual Reports.

## Forward-looking Statements

This Statement may contain forward-looking statements relating to KHPT’s targets, plans, operations, and performance, based on current business trajectories. As the Group’s operations are subject to various risks and unforeseen circumstances beyond our control, readers are advised not to rely solely on the information presented in this Statement, as actual results may differ materially from those expressed or implied.

## Feedback and Comments

This Annual Report, including the Sustainability Statement, is available to the Malaysian public on our website at <https://khpt.com.my>. The Group welcomes feedback and suggestions from stakeholders to support the continuous improvement of our sustainability disclosures.

# SUSTAINABILITY STATEMENT

## OUR SUSTAINABILITY JOURNEY

At KHPT, sustainability is not just an obligation—it is a strategic driver that shapes our long-term growth and competitiveness. Aligned with our vision of being a leading global supplier of innovative automotive components, we recognise our responsibility to operate ethically, responsibly, and sustainably.

According to the International Energy Agency (IEA), motorised transport—whether by land, sea, or air—remains heavily reliant on internal combustion engines powered by fossil fuels. The transport sector contributes to more than a third of CO<sub>2</sub> emissions from end-use sectors. To align with the Net Zero Scenario, emissions from the transport sector must be reduced by approximately 25% by 2030.

In light of this, we acknowledge that the automotive industry is undergoing a profound transformation, with sustainability and decarbonisation at its core. KHPT is committed to playing its part by minimising our environmental footprint, fostering a safe and inclusive workplace, and upholding the highest standards of corporate governance. Through these efforts, we aim to build a business that is both resilient and future ready.

In FY2024, we continued to strengthen our commitment to ESG principles by aligning with Bursa Securities’ reporting framework, industry best practices, and the evolving expectations of our stakeholders.

During the year under review, the Group undertook several initiatives to enhance its ESG practices, including:

 Objective	 Initiative	 Impacts
Energy efficiency in production	Upgraded existing motors in machinery to servo motors.	<ul style="list-style-type: none"> <li>• Average 25% lower energy consumption</li> <li>• Lower production costs</li> <li>• Reduced carbon emissions via reduced energy consumption.</li> </ul>
Accurate and transparent carbon reporting and management solutions	Subscribed to a climate solution platform to enable accurate greenhouse gas (GHG) emissions tracking and reporting.	<ul style="list-style-type: none"> <li>• Established data-based groundwork for future decarbonisation strategies within the Sustainability Roadmap.</li> </ul>

On the governance front, the Group has integrated various measures into its sustainability governance framework to support the Board’s decision-making process, thereby strengthening accountability, transparency, and the strategic focus on the Group’s long-term ESG objectives.

In addition, the Board’s composition—66.7% female-led—reflects our strong commitment to both the social and governance pillars of ESG. This diversity brings a broad range of perspectives, experiences, and leadership strengths, which continue to guide the Group’s sustainable growth and development. This marks a significant milestone that underscores KHPT’s dedication to inclusive leadership, recognising that diversity at the leadership level enhances decision-making, encourages innovation, and strengthens overall corporate resilience.

As we embark on our next phase of growth, KHPT remains steadfast in its commitment to sustainability as a core business priority, ensuring that our actions generate positive economic, social, and environmental impact for the long term.

# SUSTAINABILITY STATEMENT

## OUR SUSTAINABILITY APPROACH

Our overall sustainability approach encompasses several key considerations that are embedded within our business strategy. We view sustainability not only as a compliance measure but also as a strategic tool to mitigate risks and leverage business opportunities.



KHPT’s sustainability governance is led by the Board of Directors, which provides oversight of the Group’s overall sustainability efforts. This includes reviewing material sustainability issues, overseeing the implementation of sustainability strategies, and guiding the direction of the Group’s sustainability agenda. The Board is supported by an experienced senior management team and operational staff, who are responsible for executing sustainability initiatives and ensuring these efforts are aligned with the Group’s broader business priorities.

To strengthen its sustainability governance structure, KHPT plans to establish a Sustainability Committee (“SC”) by FY2026. The SC will be responsible for driving ESG-related initiatives, monitoring progress, and reporting directly to the Board. One of its key responsibilities will be the development of a Sustainability Roadmap, which will define the Group’s short-, medium-, and long-term sustainability targets, ensuring clear accountability and measurable outcomes across all ESG dimensions.

## IDENTIFICATION & MANAGEMENT OF SUSTAINABILITY MATTERS

The Group recognises the importance of identifying and prioritising key ESG issues that may have a material impact on our business and stakeholders. These sustainability matters may arise from both internal operations and external developments. While we have not yet conducted a formal materiality identification and assessment process, we have proactively identified several critical sustainability focus areas based on industry best practices, regulatory expectations, and insights gained through ongoing stakeholder engagements.

Our preliminary assessment of sustainability risks and opportunities has highlighted the following priority areas:

**Energy & Emissions Reduction**

Enhancing energy efficiency and implementing initiatives to reduce greenhouse gas (GHG) emissions in alignment with Malaysia’s net-zero transition goals.

**Supply Chain Sustainability**

Promoting ESG compliance throughout the supply chain by embedding responsible sourcing and ethical procurement practices.

## SUSTAINABILITY STATEMENT

### IDENTIFICATION & MANAGEMENT OF SUSTAINABILITY MATTERS (CONT'D)

Our preliminary assessment of sustainability risks and opportunities has highlighted the following priority areas (Cont'd):



#### Workplace Safety & Diversity

Fostering a safe, inclusive, and equitable workplace through robust health and safety policies, diversity and inclusion initiatives, and employee development programmes.



#### Product Quality & Innovation

Advancing manufacturing capabilities through automation and technology adoption to drive product quality, operational efficiency, and sustainability outcomes.

KHPT plans to conduct a comprehensive sustainability materiality assessment in FY2025. This exercise will enable us to formally identify and prioritise the ESG topics most relevant to our business and stakeholders. The assessment will be carried out in accordance with Bursa Securities' Sustainability Reporting Framework, incorporating structured stakeholder consultations, data-driven impact analysis, and benchmarking against industry peers.

The outcomes of this assessment will help us to refine our sustainability strategy, establish measurable ESG targets, and enhance the transparency of our sustainability reporting. Ultimately, it will support our goal of ensuring that KHPT remains resilient, responsible, and aligned with international sustainability standards.

### STAKEHOLDER ENGAGEMENT

Stakeholder engagement is a key component in identifying material sustainability matters. Engaging with stakeholders enables KHPT to better understand how our operations impact the economy, environment, society, and governance landscape. It also provides valuable insight into sustainability risks and opportunities that may otherwise go unrecognised, particularly given the dynamic nature and national significance of the automotive parts and components supply industry in Malaysia.

KHPT's stakeholders include, but are not limited to, customers, suppliers, employees, investors, regulators, and local communities. Regular and timely engagement with these groups allows us to respond to evolving expectations, manage risks proactively, and ultimately create long-term value for both the business and its stakeholders.

Effective stakeholder engagement allows us to:



#### Enhance Business Resilience

By proactively addressing stakeholders' concerns, we can identify potential challenges before they escalate into risks, strengthening our ability to adapt to market shifts, regulatory changes, and customer demands.



#### Drive Competitive Advantage

Understanding stakeholders' priorities allow us to develop innovative, sustainable solutions that align with market needs, ensuring KHPT remains a preferred supplier in the automotive industry.

# SUSTAINABILITY STATEMENT

## IDENTIFICATION & MANAGEMENT OF SUSTAINABILITY MATTERS (CONT'D)

### STAKEHOLDER ENGAGEMENT (CONT'D)

Effective stakeholder engagement allows us to (Cont'd):



**Build Trust and Reputation**

Transparent and consistent engagement fosters stronger relationships with investors, regulators, and customers, reinforcing KHPT's position as an ethical and responsible business.

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**Ensure Regulatory Compliance**

Engaging with government agencies and regulatory bodies ensures KHPT remains compliant with Bursa Securities' sustainability requirements, labour laws, and environmental regulations.

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**Strengthen Supply Chain Sustainability**

Collaborating with suppliers and business partners helps us improve responsible sourcing practices, reduce environmental impacts, and enhance supply chain resilience.

### OUR APPROACH TO STAKEHOLDER ENGAGEMENT

KHPT employs a structured and continuous engagement approach to ensure that stakeholders' concerns, expectations, and feedback are integrated into our business strategy and decision-making processes.

Stakeholder Group	Engagement Methods	Key Concerns	Impact & Actions Taken
<b>Employees</b>	As required: Surveys, Townhalls, Training Sessions, Performance Reviews	Career growth, work-life balance, workplace safety, fair compensation	Strengthened training and career development programmes, enhanced workplace safety policies, established Diversity, Equity & Inclusion (DEI) initiatives
<b>Customers (Automakers, Tier 1 Suppliers)</b>	As required: Direct Communication, Customer Feedback, Product Quality Reviews	Product quality, pricing, sustainability, supply chain reliability	Enhanced product innovation and quality control, introduced sustainability reporting for customers, improved on-time delivery performance

## SUSTAINABILITY STATEMENT

### IDENTIFICATION & MANAGEMENT OF SUSTAINABILITY MATTERS (CONT'D)

#### OUR APPROACH TO STAKEHOLDER ENGAGEMENT (CONT'D)

Stakeholder Group	Engagement Methods	Key Concerns	Impact & Actions Taken
<b>Investors &amp; Shareholders</b>	Periodic: AGM, Bursa Securities Filings, Investor Briefings, ESG Reporting	Financial performance, ESG strategy, risk management, corporate governance	Strengthened ESG disclosures, improved corporate governance practices, implemented GHG emissions tracking
<b>Suppliers &amp; Business Partners</b>	Periodic/as required: Supplier Audits, ESG Compliance Checks, Supplier Meetings	Ethical sourcing, responsible supply chain practices, pricing	Introduced Supplier Code of Conduct, established ESG compliance framework, improved procurement transparency
<b>Regulators &amp; Government Agencies</b>	Periodic/as required: Compliance Audits, Industry Roundtables, Policy Discussions	Environmental regulations, labour laws, sustainability reporting requirements	Ensured full compliance with Bursa Securities' sustainability reporting standards, participated in industry-wide ESG initiatives
<b>Local Communities &amp; NGOs</b>	As required: CSR Initiatives, Community Dialogues, Educational Partnerships	Local job creation, environmental impact, corporate social responsibility	Supported vocational training programmes, initiated waste reduction projects, provided educational grants

By maintaining open and transparent dialogue with our stakeholders, KHPT has been able to identify key ESG priorities and align business practices with stakeholder expectations. Some of the positive impacts of our engagement efforts include:

- Greater employee satisfaction and retention, as a result of enhanced career development programmes and workplace safety initiatives.
- Improved ESG performance, driven by active investor feedback and alignment with Bursa Securities' sustainability reporting guidelines.
- Stronger supplier relationships, ensuring ethical and responsible sourcing while improving supply chain resilience and efficiency.
- Increased customer trust, as we integrate sustainability considerations into our manufacturing processes, meeting the growing demand for low-carbon automotive components.
- Greater regulatory alignment, reducing compliance risks by actively participating in policy discussions and industry-wide sustainability collaborations.

# SUSTAINABILITY STATEMENT

## IDENTIFICATION & MANAGEMENT OF SUSTAINABILITY MATTERS (CONT'D)

### OUR APPROACH TO STAKEHOLDER ENGAGEMENT (CONT'D)

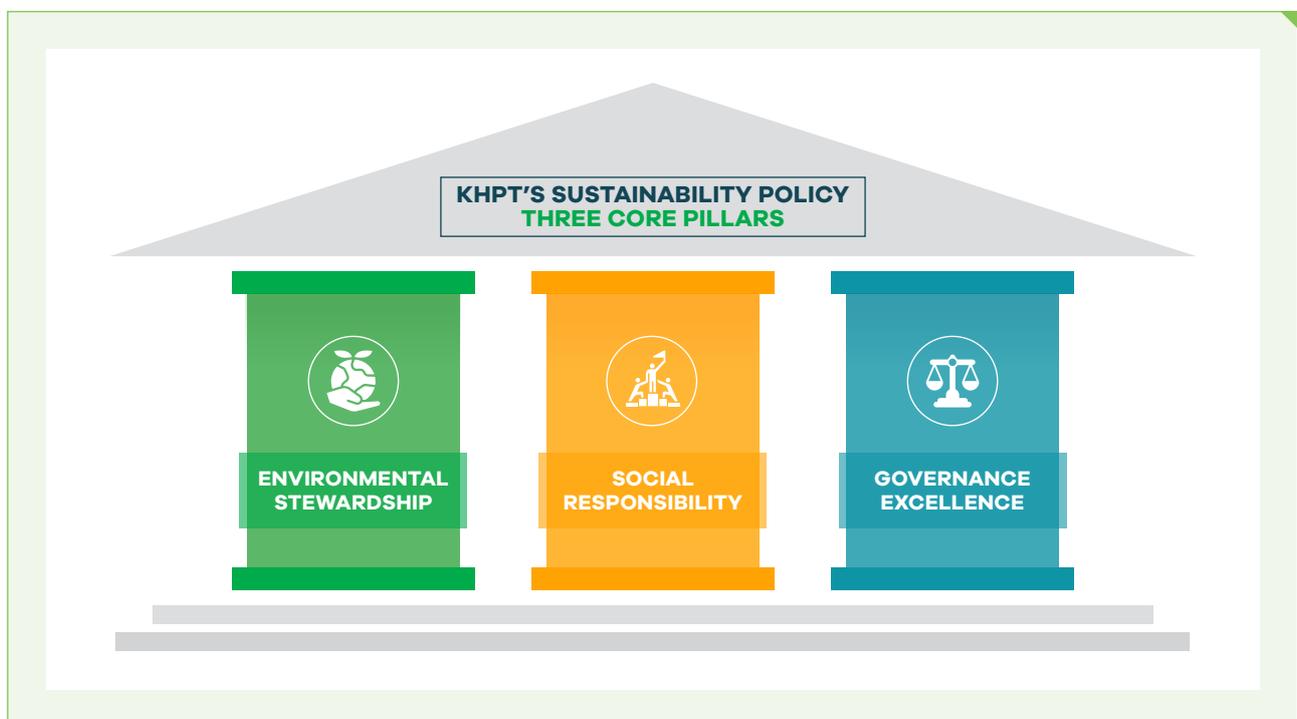
As we continue to evolve, KHPT will further strengthen our stakeholder engagement framework by adopting more data-driven engagement strategies, integrating digital feedback mechanisms, and enhancing ESG-related communications. Our goal is to ensure that sustainability is embedded in every conversation we have with our stakeholders, fostering stronger partnerships that support shared growth, innovation, and long-term business resilience.

### REPORTING OF SUSTAINABILITY PRACTICES

KHPT is committed to transparent and consistent communication of its sustainability performance. As part of this commitment, the Group is progressively enhancing its approach to the tracking and reporting of key sustainability indicators. These disclosures are communicated through the Group's Annual Report, prepared in reference to Bursa Malaysia's Sustainability Reporting Framework and global best practices, with reference of GRI Standards. Moving forward, KHPT will continue to refine its data collection processes and improve the accuracy, consistency, and relevance of its sustainability disclosures to meet stakeholder expectations and support informed decision-making.

### SUSTAINABILITY POLICY

KHPT's Sustainability Policy is structured around three core pillars:



These guiding principles inform our decision-making processes and ensure that sustainability is integrated across all levels of our operations and corporate strategy.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)



### ENVIRONMENTAL STEWARDSHIP

This pillar focuses on minimising the Group's environmental footprint through the following key areas:

#### 01 Energy Efficiency and Reduction

Implementing measures to optimise energy usage across operations.

#### 02 Emissions Reduction

Taking steps to lower greenhouse gas emissions in line with national and global climate goals.

#### 03 Waste Management & Circular Economy

Promoting responsible waste disposal, material reuse, and resource recovery to support a more circular and sustainable business model.

### 1. Energy Efficiency & Reduction

KHPT has set FY2024 as the baseline year for tracking and improving energy efficiency across its operations. By establishing this benchmark, the company has been able to assess energy consumption trends, implement reduction measures, and measure the effectiveness of energy-saving initiatives in FY2025.

In FY2024, KHPT successfully reduced its energy consumption through a series of targeted initiatives:

- i) Upgrading machinery motors to energy-efficient servo motors, which consume electricity only when needed, resulting in a notable reduction in overall power usage.
- ii) Investing in automation equipment and Industry 4.0 technologies through improved operational efficiency.
- iii) Enhancing energy management practices by installing LED lighting across the TPG factory, optimising production schedules to minimise idle energy consumption, and ensuring that machinery and lighting are switched off when not in use.

	Total Consumption	Average Consumption	Highest Monthly Consumption
<b>2023</b>	3,229.9 mWh	272,000 kWh	165,892 kWh
<b>2024</b>	2,446.3 mWh	209,368 kWh	121,321 kWh
<b>Variance</b>	-24%	-23%	-27%

These efforts reflect KHPT's commitment to continuous improvement in energy efficiency as part of its broader environmental sustainability goals.

As a result of these proactive measures, the company achieved a significant drop in total energy consumption compared to previous years, demonstrating the tangible impact of its sustainability driven strategies.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)



### ENVIRONMENTAL STEWARDSHIP (CONT'D)

#### 1. Energy Efficiency & Reduction (Cont'd)

Looking ahead, KHPT plans to:

- Consider real-time energy monitoring systems to track consumption patterns and optimise power usage.
- Set clear, quantifiable energy reduction targets, ensuring alignment with Malaysia's National Energy Efficiency Action Plan and global best practices.
- Continue investments in energy-efficient machinery and automation, further improving resource efficiency and reducing emissions.

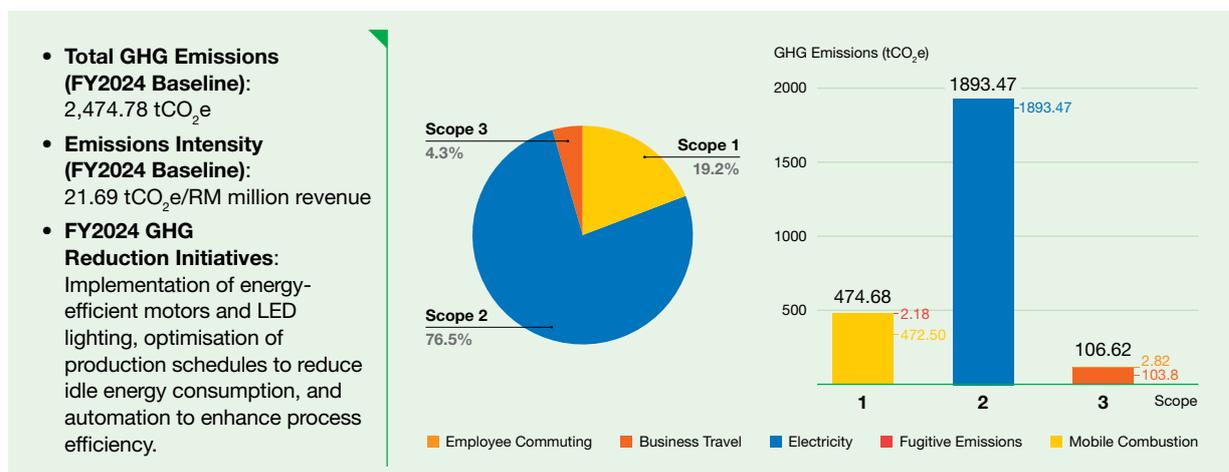
Through these ongoing initiatives, KHPT is strengthening its environmental sustainability, driving operational efficiencies, and ensuring long-term cost savings and reduced carbon footprint.

#### 2. Emissions Reduction

KHPT has established FY2024 as the benchmark year for tracking and managing GHG emissions. This baseline measurement allows the company to assess its environmental impact and set clear emission reduction targets moving forward. In FY2024, KHPT implemented a series of initiatives to improve energy efficiency and reduce emissions, resulting in measurable reductions in its overall carbon footprint.

To assess its environmental performance, KHPT has benchmarked its emissions against other industry players, providing a comparative view of its sustainability standing. The benchmarking data indicates that KHPT's emissions intensity per revenue is significantly lower than some of its competitors. This competitive analysis reinforces KHPT's commitment to maintaining a leadership position in environmental responsibility within the automotive sector.

Compared to FY2023, KHPT initiated lowering its emissions intensity through targeted sustainability initiatives, including machinery upgrades, process optimisation, and improved energy efficiency measures. The company's emissions profile for Scope 1 and Scope 2 emissions was recorded as follows:



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)



### ENVIRONMENTAL STEWARDSHIP (CONT'D)

#### 3. Waste Management & Circular Economy

KHPT has established FY2024 as the benchmark year for tracking and improving waste management, with a strong focus on resource efficiency and circular economy principles. Our approach aims to minimise waste generation, maximise material recovery, and ensure responsible disposal in compliance with Malaysia's Environmental Quality Act 1974 (EQA 1974). In FY2024, we focused on reducing hazardous and scheduled waste while improving recycling processes.

In FY2024, KHPT made significant strides in improving its waste management practices through several key initiatives:



#### KEY INITIATIVES:

- Recycling scrap metal by engaging licensed scrap metal collectors, ensuring that waste from metal stamping operations is responsibly channelled back into the production cycle.
- Adopting lean manufacturing principles to optimise material usage, reduce excess scrap, and minimise overall waste generation.
- Reducing paper waste by implementing PaperSOF, an ISO-certified document management system that enables electronic document approval and distribution, thereby significantly reducing the reliance on physical printing.



#### IMPACT:

- 870 kg of plastic waste fully recycled.
- Scheduled waste management improvements, with 3,105 litres of spent hydraulic oil, 4,214 kg of spent alkalis, and 2,040 kg of contaminated rags disposed responsibly.

These initiatives reflect KHPT's commitment to responsible resource management and advancing its circular economy efforts within operations.

Looking ahead, KHPT aims to strengthen its waste management strategy and further embed circular economy principles into its operations through the following initiatives:

- Enhancing waste tracking and reporting systems to improve data accuracy and establish measurable waste reduction targets.
- Collaborating with suppliers and business partners to promote sustainable sourcing and waste minimisation across the value chain.

Through these proactive measures, KHPT is committed to ensuring responsible resource use, driving cost efficiency, and aligning its practices with global sustainability standards.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)

### SOCIAL RESPONSIBILITY

At KHPT, social responsibility is at the core of how we operate, ensuring that our business success is aligned with the well-being of our employees, communities, and society at large. We believe that a safe, diverse, and inclusive workplace fosters innovation, enhances productivity, and strengthens our long-term resilience. Our social responsibility initiatives are built around three key areas: employee well-being, workplace safety, and community engagement.



#### 1. Employee Wellbeing, Development, & Diversity

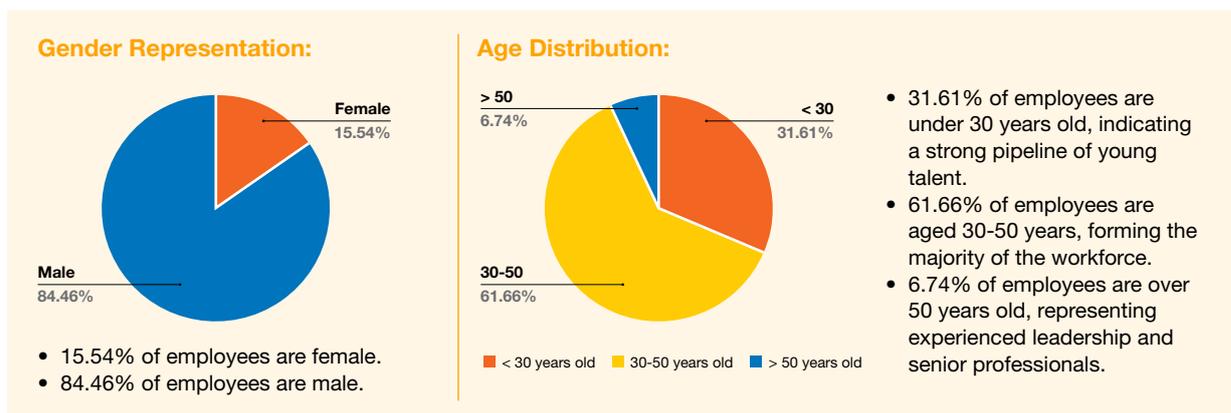
Our employees are our most valuable asset, and we are committed to fostering a work environment that prioritises career growth, inclusivity, and wellbeing. We provide structured upskilling programmes, leadership training, and technical certifications to ensure that our workforce remains competitive in a rapidly evolving industry.

Through our Diversity, Equity & Inclusion (DEI) Policy, we have created a workplace culture that values equality and meritocracy. An inclusive leadership team better reflects society, strengthens strategy development, and enhances organizational credibility. We are particularly proud that women represent 66.7% of our Board, a testament to KHPT's commitment to inclusive leadership and gender diversity.

The Group is committed to providing equitable opportunities for all employees, regardless of ethnicity, age, gender, nationality, political affiliation, religious beliefs, marital status, educational background, or physical ability. Equity ensures that all individuals have access to resources and opportunities tailored to their needs.

Recognising the importance of work-life balance, KHPT promotes flexible working arrangements and employee wellness initiatives, including mental health support programmes and team engagement activities. We continuously review our compensation and benefits packages to remain competitive and fair, ensuring that our employees are motivated and valued.

KHPT's workforce demonstrates gender and age diversity, supporting an inclusive workplace. The key diversity metrics are as follows:



# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)



### SOCIAL RESPONSIBILITY (CONT'D)

#### 1. Employee Wellbeing, Development, & Diversity (Cont'd)

##### Employee Development & Training

Our employees are our most valuable asset, and we are committed to fostering a work environment that prioritises career growth, inclusivity, and wellbeing. We provide structured upskilling programmes, leadership training, and technical certifications to ensure that our workforce remains competitive in a rapidly evolving industry.



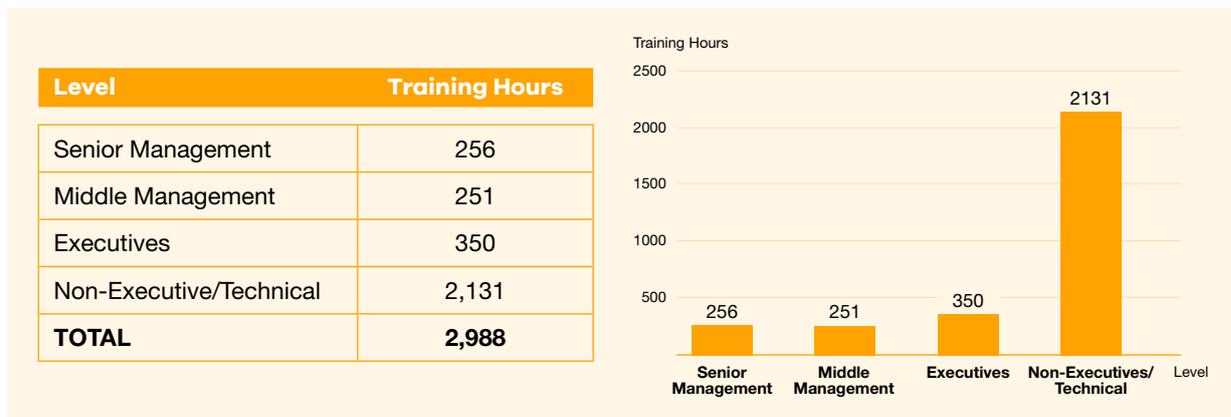
##### KEY INITIATIVES:

- 2,988 total training hours delivered in FY2024.
- Focused training programmes for technical, leadership, and compliance-related skills.



##### IMPACT:

- Higher employee engagement and skill enhancement.
- Career development opportunities aligned with future business needs.



#### 2. Workplace Safety & Occupational Health

Ensuring a safe and healthy work environment is a top priority at KHPT. We strictly adhere to Malaysia’s Occupational Safety and Health Act (OSHA) 1994 and continuously enhance our workplace safety protocols to protect our employees. In FY2024, we introduced the Hoshin Safety Training Programme, which has been rolled out across all departments to reinforce safety awareness, reduce workplace incidents, and ensure compliance with best safety practices.

We have implemented risk assessment frameworks and preventive safety measures, such as automated machine safety shutoffs, enhanced ventilation systems, and emergency response training. These initiatives have contributed to a reduction in workplace accidents and improved overall employee safety performance. In FY2024, there were no work-related fatalities, and zero lost time due to incidents.

Moving forward, we aim to further digitalise our safety management system to provide real-time monitoring of workplace hazards and risk mitigation measures.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)



### SOCIAL RESPONSIBILITY (CONT'D)

#### 3. Community Engagement & Corporate Social Responsibility

KHPT believes in giving back to the communities in which we operate. Our CSR initiatives focus on education, skills development, and environmental sustainability, ensuring that we create long-term positive impact beyond our business operations.

One of our key initiatives in FY2024 was sponsoring vocational training programmes for young Malaysians, particularly in technical and engineering fields, to equip them with relevant skills for future employment. This initiative not only supports youth employment but also helps to develop a strong talent pipeline for the local automotive industry.

In addition to supporting education, KHPT actively participates in local environmental conservation efforts. We have conducted community clean-up activities, tree-planting campaigns, and waste management awareness programmes in collaboration with local organisations.

To strengthen our commitment to sustainability, we also donated RM4,000 towards promoting STEM education, encouraging the next generation to engage in sustainable innovation and technology development.

KHPT will continue to expand its employee development programmes, workplace safety measures, and community outreach efforts. As part of our long-term social responsibility strategy, we aim to:

- Increase investments in skills development for employees and local communities.
- Strengthen our DEI initiatives to promote greater workplace inclusivity.
- Expand our community partnerships, focusing on sustainability education and vocational training.
- Enhance employee well-being programmes, including mental health support and work-life balance initiatives.

By ensuring that people remain at the heart of our business, KHPT is not only building a more sustainable workforce but also creating a lasting social impact in the communities where we operate.

# SUSTAINABILITY STATEMENT

## SUSTAINABILITY POLICY (CONT'D)



### ETHICAL CONDUCT & CORPORATE GOVERNANCE

At KHPT, integrity and ethical conduct are fundamental to how we operate. We are committed to transparency, accountability, and risk management, guided by:

#### Whistleblowing Policy

Providing employees and stakeholders with a secure channel to report misconduct.

#### Anti-Bribery & Anti-Corruption Measures

Strict policies in place to ensure compliance with Bursa Securities' governance standards.

#### Code of Ethics & Conflict of Interest

Establishing clear guidelines to ensure ethical decision-making, prevent conflicts of interest and uphold integrity across all business practices.

By maintaining robust governance and ethical business practices, KHPT strengthens trust among investors, customers, and partners.

KHPT maintains a zero-tolerance approach to unethical business practices, ensuring strong governance and integrity.



#### KEY INITIATIVES:

- Directors participate in the Mandatory Accreditation Programme (MAP) and Leadership in Governance Programme (LIP).
- Communication, training and awareness on anti-bribery and anti-corruption measures.



#### IMPACT:

- Strengthened corporate governance and stakeholder trust.
- No confirmed incidents of corruption in FY2024.

More information is available in the Corporate Governance section of this Report on pages 50 to 60.

# SUSTAINABILITY STATEMENT

## DATA PRIVACY & SECURITY

KHPT places a strong emphasis on data privacy and security, ensuring the protection of customer information and business-sensitive data. The company adheres to industry best practices and regulatory standards, including Malaysia's Personal Data Protection Act (PDPA) 2010, to safeguard against data breaches, unauthorised access, and cyber threats. There were no substantiated complaints concerning breaches of customer privacy and loss of customer data in FY2024.

## THE NEXT STEPS IN OUR SUSTAINABILITY JOURNEY

Looking ahead, KHPT is committed to strengthening its sustainability efforts by setting clear GHG reduction targets and expanding its carbon-neutral roadmap. As part of our long-term environmental strategy, we will continue to refine our emissions management framework, ensuring that we align with both national climate policies and global sustainability standards.

In addition, we are dedicated to enhancing our sustainability reporting and disclosures, providing greater transparency and accountability to stakeholders. By aligning with Bursa Securities' sustainability reporting framework and incorporating industry best practices, we aim to improve ESG performance tracking, stakeholder engagement, and long-term risk management.

KHPT is also exploring renewable energy adoption, including the feasibility of solar power integration, to further reduce our reliance on conventional energy sources. As the automotive industry shifts towards electrification and green mobility, we are actively working to expand our electric vehicle (EV) components production, positioning KHPT as one of the leading suppliers in the evolving EV market.

Sustainability is not just a commitment—it is our pathway to long-term success and resilience. By embedding sustainability into our core business strategy, KHPT is driving the future of responsible and innovative automotive manufacturing, ensuring that we create lasting value for our stakeholders, employees, and the broader community.



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTRODUCTION

KHPT Holdings Berhad (“**KHPT**” or “**the Company**”) was listed on the ACE Market of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) on 8 October 2024.

The Board of Directors (the “**Board**”) of KHPT is committed to exercising good corporate governance by supporting and applying the Principles and Practices set out in the Malaysian Code on Corporate Governance 2021 (the “**Code**”). The Board recognises that maintaining good governance ethics is critical to business integrity and performance, and key to delivering shareholders’ value. In addition, the Board evaluates and where appropriate, implements relevant proposals to ensure that the Company and its subsidiary (“**the Group**”) continue to adhere to good corporate governance with the aim of ensuring the Board’s effectiveness in enhancing shareholders’ value.

This statement is prepared in compliance with the ACE Market Listing Requirements (“**AMLR**”) of Bursa Securities and is to be read together with the Corporate Governance Report 2024 which can be downloaded from KHPT’s website at <https://khpt.com.my> or from Bursa Securities’ website.

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### I. BOARD RESPONSIBILITIES

#### 1. Board of Directors

The Board plays a critical role in setting the appropriate tone at the top and is charged with leading and managing the Group effectively and ethically. Each Director has a legal duty to act in the best interests of the Group and ultimately enhancing shareholders’ value. The Directors collectively and individually are aware of their responsibilities to the stakeholders in which the affairs of the Group are managed, details of which are set out in the Board Charter which is published on the Company’s website at <https://khpt.com.my>.

The Group’s corporate governance structure consists of a set of structures, policies and procedures. The fundamental of this structure is the Board and is supported by two (2) Board Committees to which the Board has delegated specific responsibilities, namely Audit and Risk Management Committee and Nomination and Remuneration Committee.

#### 2. The Chairperson and the Group Managing Director (“GMD”)

The Chairperson of the Board, Datuk Noripah Binti Kamsu, is an Independent Non-Executive Chairperson who leads the Board by setting the tone at the top and manages the Board effectiveness by focusing on governance and compliance and acts as a facilitator at Board meetings to ensure that contributions from Directors are forthcoming on matters being deliberated and that no Board member dominates the discussion. She further seeks to secure the provision of accurate, timely and clear information to the Board. During the Board meetings, the Chairperson also maintains a collaborative atmosphere and ensures that all Directors contribute to debates.

The distinct and separate roles of the Chairperson and the GMD, Datin See Hui Pving are undertaken by two (2) different individuals with clear division of responsibilities have ensured the balance of power and authority, such that no one individual has unfettered powers of decision-making. The segregation of roles facilitates a healthy open discussion and exchange of views between the Board and Management in their deliberation of the business, strategic aims and key activities of the Company.

#### 3. Company Secretaries

The Board is assisted by qualified and competent Company Secretaries who play a vital role in advising the Board in relation to the Company’s Constitution, the Board policies and procedures and the applicable laws and regulations which are required to be complied with. All Directors have unrestricted access to the advice and services of the Company Secretaries for the purpose of the conduct of the Board’s affairs and the business. If necessary, the Board members are entitled to obtain independent professional advice from the Company Secretaries at the Company’s cost, relating to the affairs of the Group or their responsibilities as Directors.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 3. Company Secretaries (Cont'd)

The Company Secretaries ensure that all Board and Board Committee meetings are properly convened and that accurate and proper records of the deliberations, proceedings and resolutions passed are recorded and statutory registers are properly maintained at the registered office of the Company. The Board is also regularly updated and kept informed of the latest developments of the AMLR, directives and circulars from Bursa Securities as well as other legal and regulatory developments by the Company Secretaries. The Board is satisfied with the performance and support rendered by the Company Secretaries in discharging its functions.

#### 4. Board Charter, Codes and Policies

The Board has the following in place:-

##### a) Board Charter

The Board Charter clearly sets out the key values, principles and ethos of the Company, as policy delineates the roles of the Board (including matters reserved for the Board), the Chairperson, the GMD, the Board Committees and individual Directors. It provides structural guidance and ethical standards for Directors and Management in discharging their duties towards the Company as well as the Board's operating practices. The Board will review the Board Charter once every three (3) years or as and when necessary and make any necessary amendments to ensure that they remain consistent with the Board's objectives, current law and practices. A copy of the Board Charter is published on the Company's website at <https://khpt.com.my>.

##### b) Code of Conduct and Ethics

The Company has set out a Code of Conduct and Ethics ("the COCE") for its Directors, Management and employees in discharging their duties and responsibilities. The COCE is established to promote the corporate culture which engenders ethical conduct that permeates throughout the Group.

The COCE is published on the Company's website at <https://khpt.com.my>.

##### c) Whistleblowing Policy

The Board had formalised a Whistleblowing Policy as the Group places high value on the level of trust and integrity. Therefore, the Whistleblowing Policy provides an avenue for all Directors, employees and stakeholders of the Group to disclose or report any improper conduct and to provide protection for those who report such allegations.

The Whistleblowing Policy can be assessed through the Company's website at <https://khpt.com.my>.

##### d) Anti-Bribery and Anti-Corruption Policy and Procedures

In addition to the COCE, the Company has further established the Anti-Bribery and Anti-Corruption ("ABAC") Policy and Procedures to comply with enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act. The ABAC Policy and Procedures is to ensure that all Directors, Management and employees are aware of their obligations to disclose and not to be involved in any corruption, bribes, conflict of interest or similar unethical acts that they may have in order to prevent the occurrence of bribery and corrupt practices in relation to the Group's business.

The ABAC Policy can be accessed through the Company's website at <https://khpt.com.my>.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 4. Board Charter, Codes and Policies (Cont'd)

The Board has the following in place (Cont'd):-

##### e) Sustainability Policy

The Board is aware of its responsibility for Environmental, Social and Governance (“ESG”) and sustainability to all various stakeholders and the communities in which it operates. As such, the ESG and sustainability aspects are considered by the Board in its corporate strategies.

The Company’s efforts in this regard have been set out in the Sustainability Statement in the 2024 Annual Report.

##### f) Conflict of Interest Policy

The Board adopted the Conflict of Interest Policy to ensure conflict of interest cases are handled appropriately, promoting transparency, fostering a culture of honesty and accountability as well as good governance within the Group. This policy applies to all Directors and Senior Management of KHPT Group. It covers conflict of interest and potential conflict of interest that may arise between their personal interests and the interests of KHPT or its subsidiary.

##### g) Directors’ Fit and Proper Policy

The Board established the Directors’ Fit and Proper Policy to ensure that any person to be appointed or elected/ re-elected as a Director of KHPT and its subsidiary shall possess the necessary quality and character as well as integrity, competency and commitment to enable the discharge of the responsibilities required for the position in the most effective manner. The Directors’ Fit and Proper Policy is made available on the Company’s website at <https://khpt.com.my>.

#### 5. Board meetings and Access to Information and Advice

The Board ordinarily schedules to meet quarterly with additional meetings to be convened when urgent and important decisions need to be made between the scheduled meetings. To facilitate the Directors’ time planning, an annual meeting calendar is prepared and circulated before the beginning of each year. The Board had held four (4) Board Meetings during the financial year ended 31 December 2024 (“FY2024”) and the attendance record is as follows:

Name of Director	No. of meetings attended
Datuk Noripah Binti Kamso *	3/4
Datin See Hui Pvng	4/4
Mr Hideki Nomura	3/4
Dato’ Tang Ngat Ngoh	4/4
Datuk Noor Azian Binti Shaari	4/4
Mr Chan Yan San	4/4

\*Appointed on 21 March 2024

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### I. BOARD RESPONSIBILITIES (CONT'D)

#### 5. Board meetings and Access to Information and Advice (Cont'd)

There is a procedure in place for timely dissemination of Board and Board Committees' meeting papers as well as minutes of meeting to all Directors within a reasonable period prior to the Board and Board Committee meetings, to facilitate decision making by the Board and to deal with matters arising from such meetings. Management may be invited to attend and speak at meetings on matters relating to their sphere of responsibility. The Board may also invite external parties such as the external auditors, solicitors and consultants as and when the need arises.

#### 6. Board Committees

The Board Committees are to examine specific issues within their respective approved terms of reference and report to the Board with their recommendations. However, the ultimate responsibility for decision making remains with the Board. The terms of reference of the Board Committees are available for reference on the Group's website at <https://khpt.com.my>.

##### **Audit and Risk Management Committee ("ARMC")**

The Board established the ARMC on 13 March 2024.

The ARMC monitors internal control policies and procedures designed to safeguard the Group's assets and to maintain the integrity of financial reporting. The ARMC maintains direct and unfettered access to the Company's External Auditors, Internal Auditors and Management. A full ARMC Report is set out in this Annual Report.

##### **Nomination and Remuneration Committee ("NRC")**

The Board established the NRC on 13 March 2024.

The NRC assists the Board in ensuring that the Board comprises individuals with the necessary skills, knowledge and experience for the effective discharge of their responsibilities and in matters relating to the remuneration of the Board. The NRC comprises three (3) members, all of whom are Independent Non-Executive Directors.

There was no NRC meeting held during the year under review as the Company was listed on 8 October 2024.

### 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.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. BOARD COMPOSITION (CONT'D)

#### 1. Composition and Diversity (Cont'd)

As at the date of this Statement, the Board consists of one (1) Independent Non-Executive Chairperson, three (3) Independent Non-Executive Directors, one (1) Group Managing Director and one (1) Executive Director, wherein at least half 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 Company.

The Board acknowledges the need to promote gender diversity within its composition and currently, there are four (4) female Directors serving as members of the Board, representing 66.7% female representation on the Board. Diversity in Senior Management will induce constructive debates, which lead to better decision making and enabling discussion in an ever-changing environment. The Board also values the diversity of perspectives and experience at Senior Management level for better insights and competitive advantage. Currently there is one female representation in the Senior Management of the Company. The Board's Diversity Policy is published on the Company's website at <https://khpt.com.my>.

The Board of Directors' profile can be found on pages 10 to 17 of this Annual Report.

#### 2. Independence

The Board recognises the importance of significant representation by Directors who are capable and willing to make decisions in the best interest of shareholders, free from any conflict of interest and are also independent of Management. Independent Non-Executive Directors are those who have the ability to exercise their duties and express their views unfettered by familiarity or business or other relationships.

Presently, the Board has four (4) Independent Non-Executive Directors, namely Datuk Noripah Binti Kamso, Dato' Tang Ngat Ngoh, Datuk Noor Azian Binti Shaari and Mr Chan Yan San. They are neither the substantial shareholders nor employees of the Group and have no relationships which are likely to affect or impact their independent judgment.

The tenure of an Independent Non-Executive Director should not exceed a cumulative term of nine (9) years. Upon completion of nine (9) years, an Independent Director may continue to serve on the Board subject to the Director's re-designation as Non-Independent Director. The Board, subject to justification and obtaining the approval of the shareholders, may retain an Independent Non-Executive Director who has served a cumulative term of nine (9) years as an Independent Non-Executive Director of the Company.

The independence of the Independent Non-Executive Directors is assessed on an annual basis under the annual Board assessment process. The assessment of independence is based on the criteria prescribed by Bursa Securities and the Board was satisfied with the level of independence demonstrated by all Independent Non-Executive Directors.

#### 3. Appointment of Board

The Board of Directors comprise of a collective of individuals having an extensive complementary knowledge and competencies, as well as expertise to make an active, informed and positive contribution to the management of the Group in terms of the business' strategic direction and development. The appointment of the Board is based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### II. BOARD COMPOSITION (CONT'D)

#### 3. Appointment of Board (Cont'd)

The Directors' Fit and Proper Policy of the Company serves as a guide to the NRC and the Board in conducting the assessment on potential candidates to be appointed as Directors and/or existing Directors seeking re-election and to ensure that all Directors possess the right blend of qualification, expertise, track record, character, integrity and time commitment to effectively discharge their roles and responsibilities as Directors of the Company.

The NRC will assess the suitability of the candidates before formally considering and recommending them for appointment to the Board. In proposing its recommendation, the NRC will consider and evaluate the candidates' required skills, knowledge, expertise, competence, experience, characteristics, professionalism. For appointment of Independent Directors, considerations will also be given on whether the candidates meet the requirements for independence as defined in AMLR of Bursa Securities and time commitment expected from them to attend to matters of the Company in general, including attending meetings of the Board, Board Committees and Annual General Meetings.

#### 4. Annual Evaluation

The NRC is responsible in evaluating the performance and effectiveness of the entire Board, the Board Committees and individual Director on a yearly basis. The evaluation process is led by the NRC and supported by the Company Secretary via questionnaires. The NRC reviews the outcome of the evaluation and recommends to the Board any areas for further improvement.

The NRC had on 13 February 2025 assessed the effectiveness of the Board, its Committees and the contribution of each Director by identifying the strengths and weaknesses of the Board.

The assessment criteria used in the assessment of the Board and individual Director include mix of skills, knowledge, Board diversity, size and experience of the Board, core competencies and contribution of each Director. The Board Committees were assessed based on their roles and responsibilities, scope and knowledge, frequency of meetings, supply of sufficient and timely information to the Board and also overall effectiveness and efficiency in discharging their functions.

The Board was satisfied with the outcome and opined that the skills and experience of the current Directors meet the requirements of the skills matrix and that the Chairperson possesses the leadership to safeguard the stakeholders' interest and ensure the Group's profitable performance. The Directors had also committed the time necessary to responsibly fulfil their commitment to the Company and Group during the year.

#### 5. Directors' Training

The Board acknowledges that continuous education is vital for the Board members to keep abreast with the latest developments in the industry and business environment as well as changes to statutory requirements and regulatory guidelines.

All Directors of the Company have attended and successfully completed the Mandatory Accreditation Programme as required by Bursa Securities. The Directors will continue to identify and attend other training courses to equip themselves effectively to discharge their duties as Directors on a continuous basis.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### II. BOARD COMPOSITION (CONT'D)

##### 5. Directors' Training (Cont'd)

The training programmes and seminars attended by the Directors during the FY 2024 are as follows:-

Name of Directors	Training Programmes Attended
Datuk Noripah Binti Kamso	Mandatory Accreditation Programme Part II: Leading for Impact (LIP) ICC Corporate Governance 2024. Investing towards Sustainable Development in Malaysia Impact of Human Rights on Brand & Reputation Khazanah Mega Trends Forum Islamic Asset Management. Asia Asset Management Round Table
Datin See Hui Pvng	Mandatory Accreditation Programme CEO/Owner Growth Mindset Programme ("CEO Growth Programme")
Mr Hideki Nomura	Mandatory Accreditation Programme CEO/Owner Growth Mindset Programme ("CEO Growth Programme")
Dato' Tang Ngat Ngoh	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Datuk Noor Azian Binti Shaari	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)
Mr Chan Yan San	Mandatory Accreditation Programme Sustainability Reporting Alphabet Soup and Current Sustainability Reporting Updates for Malaysia e-Invoicing Compliance: Essential Guidelines

In addition, the Directors received regular briefings and updates on the Group's businesses, operations, risk management activities, AMLR and relevant law updates from Management and external advisors from time to time. The Board will continuously evaluate and determine the training needs of its members to assist them in discharge of their duties as Directors.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### III. REMUNERATION

In determining the remuneration of the Directors and Senior Management, the Company's objective is to provide fair and competitive remuneration to its Board and Senior Management for the Company to benefit by attracting and retaining a high-quality team. The remuneration packages for the Executive Directors and Senior Management comprise a fixed component (in the form of a base salary and, where applicable, fixed allowances determined by the Group's Human Resource policies) and variable components (which normally comprise of annual bonus) together with benefits-in-kind, if any to reward performance that supports the Group's strategy and creates sustainable long-term value for shareholders.

The NRC will review the remuneration packages of the Executive Directors and to recommend to the Board for approval and the remuneration packages of the Senior Management is under the purview of the Group Managing Director taking into consideration of the Company or Group's performance, individual performance against the key performance indicators as well as the required qualification, skills, experience and comparable market statistics.

When reviewing the structure and level of Directors' fees, the NRC takes into consideration the Directors' roles and responsibilities and the NRC also compares against the peers' practices, demands, complexities and performance of the Company. In the case of Non-Executive Directors, the level of remuneration reflects the experience and level of responsibilities undertaken. Each Non-Executive Director receives a base fixed fee and each Director receives meeting allowance for each Board, Board Committee and general meeting that they attend. The fees for Directors are determined by the Board with the approval from shareholders at the AGM and the respective Directors will abstain from voting to approve his or her fees.

Details of the Directors' remuneration of the Group and of the Company include fees, salary, bonus, benefits in-kind and other emoluments for the FY2024 are as follow:-

#### Company

Directors	Directors' Fees RM'000	Salaries, Bonus and Allowances RM'000	Benefits in-kind RM'000	Other emoluments RM'000	Total RM'000
<b>Executive Directors:</b>					
Datin See Hui Pvng	-	-	-	-	-
Hideki Nomura	-	-	-	-	-
<b>Non-Executive Directors:</b>					
Datuk Noripah Binti Kamso	45	-	-	2	47
Dato' Tang Ngat Ngoh	42	-	-	2	44
Datuk Noor Azian Binti Shaari	42	-	-	2	44
Chan Yan San	42	-	-	2	44
<b>Total</b>	171	-	-	8	179

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### III. REMUNERATION (CONT'D)

Details of the Directors' remuneration of the Group and of the Company include fees, salary, bonus, benefits in-kind and other emoluments for the FY2024 are as follow (Cont'd):-

##### Group

Directors	Directors' Fees RM'000	Salaries, Bonus and Allowances RM'000	Benefits in-kind RM'000	Other emoluments RM'000	Total RM'000
<b>Executive Directors:</b>					
Datin See Hui Pvng	-	300	48	-	348
Hideki Nomura	-	144	-	2.58	146.58
<b>Non-Executive Directors:</b>					
Datuk Noripah Binti Kamso	45	-	-	2	47
Dato' Tang Ngat Ngoh	42	-	-	2	44
Datuk Noor Azian Binti Shaari	42	-	-	2	44
Chan Yan San	42	-	-	2	44
<b>Total</b>	<b>171</b>	<b>444</b>	<b>48</b>	<b>10.58</b>	<b>673.58</b>

The key senior management personnel of the Company for the FY2024 are provided below in bands of RM50,000/- on a named basis:-

Remuneration bands	Key Senior Management
RM150,000 to RM200,000	Sia Boon Huat
	Eng Shu Ling
	Oon Pey Yang

The Board considers the remuneration information of key senior management to be confidential and proprietary, and to respect their privacy, will not disclose the said information in details.

### PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

#### I. AUDIT AND RISK MANAGEMENT COMMITTEE

##### 1. Composition

The ARMC comprises only the Independent Non-Executive Directors. All ARMC members are financially literate and are able to analyse and interpret financial statements in order to effectively discharge their duties and responsibilities as members of the ARMC. The Chairman of the ARMC is not the Chairman of the Board, ensuring the impartiality and objectivity of the Board's review on the ARMC's findings and recommendations remain intact. The ARMC's Terms of Reference ("TOR") requires a former audit partner to observe a cooling-off period of at least three (3) years before being appointed as a member of ARMC. The NRC reviews the composition and terms of office of the ARMC annually and recommends to the Board for approval, ensuring that all ARMC members shall be independent, financially literate and understand matters under the purview of the ARMC.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT (CONT'D)

### I. AUDIT AND RISK MANAGEMENT COMMITTEE (CONT'D)

#### 2. External Auditors

The ARMC will assess the suitability, objectivity and independence of the external auditors on an annual basis. The ARMC will take into consideration the adequacy of the experience and resources of the audit firm and obtains the written assurance from the external auditors confirming that they are and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements. The assessment procedures are spelt out in the ARMC's TOR which is published on the Company's website. The external auditors also have direct access to the ARMC to highlight any issues of concern at any point in time. Pursuant to the ARMC's TOR, the ARMC shall meet with the external auditors at least once a year without the presence of the Executive Directors and Management to discuss on audit findings, audit plans and the Company's financial statements.

#### 3. Financial Reporting

The Board aims to present a clear, balanced and comprehensive assessment of the Group's financial position and future prospects that extends to the annual and quarterly financial statements. The Board ensures that the annual and interim financial statements are prepared so as to give a true and fair view of the current financial status of the Group in accordance with the applicable approved accounting standards.

In assisting the Board to discharge its duties on financial reporting, the ARMC is tasked with reviewing the quarterly results and the year-end financial statements of the Group, focusing particularly on:

- (a) major changes in or implementation of accounting policies relevant to the Group;
- (b) significant matters highlighted including financial reporting issues, significant judgments made by Management, significant and unusual events or transactions and how these matters are addressed;
- (c) the going concern assumption; and
- (d) compliance with accounting standards and other legal requirements.

A full ARMC Report is set out in this Annual Report.

### II. RISK MANAGEMENT AND INTERNAL CONTROL POLICIES AND PROCEDURES

The Board assumes ultimate responsibility for the effective management of risk across the Group, determining its risk appetite as well as ensuring that each business area implements appropriate internal controls. In order to achieve such an objective, a Risk Management Policy and Procedure has been adopted by the Group. The Group's risk management systems are designed to manage and eliminate risks where possible, to achieve business objectives and can only provide a reasonable and not absolute assurance against material misstatement or loss.

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 an internal audit function.

Our Group had outsourced the internal audit function to an independent third-party service provider, GovernanceAdvisory.com Sdn Bhd. The internal auditors report directly to the ARMC and carries out its function in accordance with the annual internal audit plan approved by the ARMC.

The Statement on Risk Management and Internal Control in the Annual Report provides an overview of the risk management practices and internal controls implemented by the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### I. COMMUNICATION WITH STAKEHOLDERS

The Board believes that stakeholders' communication is an essential requirement of the Group's sustainability. In view thereof, stakeholders are informed of all material business events of the Group in a factual, timely and widely available manner.

The Group has set up an investor relations program to facilitate effective two-way communication with investors and analysts to provide a greater understanding of the Group's vision, strategies, developments and financial prospects. A variety of engagement initiatives including direct meetings and dialogues with stakeholders are constantly conducted to allow the Group to learn about stakeholders' needs.

The Group's financial performance, major corporate developments and other relevant information are promptly disseminated to shareholders and investors via announcements of its quarterly results, annual report and other corporate announcements to Bursa Securities. It is the Group's practice that any material information for public announcements is factual and reviewed internally before issuance to ensure accuracy and is expressed in a clear and objective manner.

The Company's corporate website includes a dedicated Investor Relations section which provides all relevant information on the Group, including announcements to Bursa Securities, share price information, as well as the corporate and governance structure of the Group. The stakeholders may subscribe to email alerts from the Group via the Group's corporate website at <https://khpt.com.my>.

#### II. CONDUCT OF GENERAL MEETINGS

The Annual General Meeting ("AGM") is the principal forum for dialogue with shareholders, allowing shareholders to review the Group's performance via the Company's Annual Report and pose questions to the Board for clarification. To ensure shareholders have sufficient time to go through the Annual Report, it is circulated at least twenty-eight (28) days before the date of the AGM. Shareholders are encouraged to vote on the proposed motions by appointing a proxy in the event they are unable to attend the meeting.

The Board encourages and welcomes participation from shareholders to ask questions regarding the resolutions being proposed at the meeting and also other matters pertaining to the business activities of the Group. All Directors, including the Chairman of the ARMC and NRC, the Key Senior Management team, the External Auditors and Sponsor will endeavour to attend the 1<sup>st</sup> AGM to provide meaningful responses if there is any question raised by the shareholders.

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

This statement together with the Corporate Governance Report 2024 was approved by the Board on 7 April 2025.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Board of Directors (“**the Board**”) is delighted to present the Audit and Risk Management Committee (“**ARMC**”) Report for FY2024 in compliance with Paragraph 15.15 of the ACE Market Listing Requirement (“**Listing Requirement**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

## **Composition and Meetings**

The ARMC was established on 13 March 2024. The ARMC comprises three (3) members, all of whom are Independent Non-Executive Directors and are appointed by the Board. The ARMC assists the Board in its oversight of the Group’s financial statements and reporting in fulfilling its fiduciary responsibilities relating to internal controls, financial reporting practices, risk management frameworks and policies.

The Chairman of the ARMC, is a member of the Malaysian Institute of Accountants and a Certified Practising Accountant of CPA Australia, hence complies with Rule 15.09(1)(c)(i) of the Listing Requirement of Bursa Securities.

The composition of the ARMC members and the details of their attendance at the meetings during FY2024 are as follows:

<b>Name</b>	<b>Designation</b>	<b>Status of Directorship</b>	<b>Number of meetings attended</b>
Chan Yan San	Chairman	Independent Non-Executive Director	2/2
Dato’ Tang Ngat Ngoh	Member	Independent Non-Executive Director	2/2
Datuk Noor Azian Binti Shaari	Member	Independent Non-Executive Director	2/2

The ARMC met two (2) times during the FY2024, on a quarterly basis.

The External Auditors, Internal Auditors, Finance Controller, Sponsor, and the relevant management personnel were invited to attend the ARMC meetings to facilitate direct communication on matters under the consideration of the ARMC, or which, in their opinion, should be brought to the attention of the ARMC. The Chairman of the ARMC reports to the Board on matters discussed at every ARMC meeting. The ARMC Chairman also conveyed to the Board matters of significant matters as and when raised by the External Auditors or Internal Auditors in their respective presentations and provide recommendations to the Board for consideration after the ARMC meeting.

The Company Secretary attended all the ARMC meetings held during FY2024, having arranged for the meetings and keeping the minutes. Minutes of each meeting were recorded and tabled for confirmation at the next ARMC meeting and subsequently presented to the Board for notation.

## **Terms of Reference**

The Terms of Reference of the ARMC which set out its duties and responsibilities are published on the Company’s corporate website at <https://khpt.com.my/>.

## **Summary of Activities**

The key activities carried out by the ARMC in line with its Terms of Reference during the FY2024 are as follows:

### **1. Financial Reporting**

- Reviewed the quarterly unaudited financial results and annual audited financial statements before recommending to the Board for their approval and release of the Group’s results to Bursa Securities.
- Ensure that the financial reports comply with the applicable financial reporting standards and the Listing Requirements of Bursa Securities.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## Summary of Activities (Cont'd)

The key activities carried out by the ARMC in line with its Terms of Reference during the FY2024 are as follows (Cont'd):

### 1. Financial Reporting (Cont'd)

- Reviewed the quarterly unaudited financial results of the Group for FY2024 together with the Finance Controller, focusing particularly on:
  - (a) Changes in or implementation of major accounting policies and practices;
  - (b) Significant or material adjustments with financial impact arising from the audit;
  - (c) Significant matters highlighted including financial reporting issues, significant judgements made by Management, significant and unusual events or transactions, and how these matters are addressed;
  - (d) Going concern assumptions; and
  - (e) Compliance with accounting standards and other legal requirements.

### 2. External Audit

- Reviewed and approved the external auditor's Audit Planning Memorandum prior to the commencement of the annual audit.
- Reviewed and analysed the proposed external group audit fees and other non-audit services for approval of the Board.
- Reviewed and approved the external auditor's audit plan and the scope for the annual audit.
- Reviewed and evaluated the performance, suitability, independence and objectivity of the external auditor and made recommendation to the Board on their appointment.
- Reviewed and discussed with the External Auditors the results of the audit, audit report and areas of concern highlighted in the management letter, including management's responses to the concerns raised by the External Auditors on the financial statements of the Group for FY2024.

### 3. Internal Audit

- Reviewed and approved the internal audit plan prepared by the Internal Auditors to ensure adequate scope and comprehensive coverage over the activities of the Group.

### 4. Related Party Transaction

- Reviewed related party transactions and monitored recurrent related party transactions on quarterly basis to ensure that all transactions are carried out on arm's length basis and on normal commercial terms as well as proper disclosures are made pursuant to the Listing Requirement of Bursa Securities, as and when necessary.

### 5. Risk management and Internal Control

- Reviewed of the Statement of Risk Management and Internal Control to be published in the Annual Report and report the same to the Board.
- Reviewed and assessed the adequacy and effectiveness of internal control systems, risk management policies and framework to ensure these are operating effectively.
- Reviewed the Group's risk profile and risk tolerance, along with its risk management strategies to address business risks as identified from time to time.
- Continuously monitored whistleblowing program and procedures as part of the risk management structure and good corporate governance practices.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## Internal Audit Function

Internal audit function constitutes part of the Group assurance mechanism which serves to review the Group's system of internal control. The internal audit function is guided by a formal Term of Reference. The role of the internal audit function is to undertake independent, objective, regular and systematic reviews of the systems of internal control and governance practices of the Group so as to provide reasonable assurance that such systems continue to operate effectively in managing the Group's risk.

The ARMC is supported by the internal audit team, which has been outsourced to an independent professional consulting firm, GovernanceAdvisory.com Sdn Bhd. Its primary role is to assess the adequacy and effectiveness of the internal control systems of the Group and the Internal Auditors report directly to the ARMC. Since the appointment of the internal auditors was on 10 February 2025 and the Company was only listed on 8 October 2024, the internal auditor was only able to table their first internal audit report in November 2025 i.e after FY2024.

This ARMC Report has been reviewed by the ARMC and approved by the Board on 7 April 2025.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Malaysian Code on Corporate Governance mandates that the Board of Directors (“Board”) establish a robust risk management framework and internal control system to safeguard shareholders’ investments and the assets of KHPT Holdings Berhad (“KHPT” or “the Company”) and its subsidiary (“the Group”). In compliance with Paragraph 15.26(b) of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad, listed issuers must include a statement in their Annual Report on the state of internal control and risk management.

Recognizing its responsibilities, the Board remains committed to maintaining sound risk management and internal control systems in compliance with the AMLR and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“Guidelines”).

This statement outlines the nature and scope of the Group’s risk management and internal control systems for the financial year ended 31 December 2024.

## BOARD’S RESPONSIBILITIES

The Board acknowledges its responsibility for maintaining an effective internal control system and ensuring its adequacy, efficiency, and integrity to support the Group’s objectives and strategies while safeguarding stakeholders’ interests.

Quarterly Board meetings assess the risk management and internal control environment. The Audit and Risk Management Committee (“ARMC”), supported by independent internal auditors, conducts periodic evaluations to ensure risks are identified, managed, and controlled effectively. Key issues and corresponding management actions are reviewed in ARMC meetings, with findings reported to the Board.

Risk management is integrated across all business activities, with acceptable risk thresholds established to guide decision-making and governance processes. The Executive Directors have assured the Board of ongoing improvements in the risk management and internal control systems.

The Board acknowledges that internal controls, by nature, have inherent limitations. While they mitigate risks, they cannot entirely eliminate them. Thus, the system provides reasonable, not absolute, assurance against material misstatements, losses, or fraud.

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

### 1. Risk Management System

The Board has implemented a Risk Management and Internal Control Policies and Procedures for identifying, evaluating, and managing significant risks. These policies and procedures includes:

- a. A formalized structure to streamline risk management activities;
- b. Determination of the Group’s risk appetite to establish an appropriate risk context;
- c. A clear risk management structure defining reporting lines and responsibilities at all levels, including the Board, ARMC, and Management;
- d. Managers, Team Leaders, and Process Owners tasked with identifying, assessing, and managing strategic and operational risks;
- e. A risk register that monitors key risks and provides early warning signals of increased risk exposure; and
- f. Periodic reviews of control measures to ensure their effectiveness, with findings reported to the Board.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM (CONT'D)

### 2. Internal Control System

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

- a. A structured organizational framework with clear accountability and decision-making authority;
- b. Regular ARMC and Board meetings to review financial reports, internal audit findings, and necessary corrective actions;
- c. External and internal audit reviews to identify control weaknesses, with corrective actions discussed with Management;
- d. Established internal policies and procedures, periodically updated to align with evolving business and regulatory requirements; and
- e. Compliance with IATF 16949 through documented policies and procedures regulating key processes.

### 3. Internal Audit Function

The Board assumes overall responsibility for a sound internal control system that ensures operational efficiency, compliance with laws, and risk mitigation. Given the complexity of the Group's operations, such may give rise to risks of unanticipated or unavoidable losses.

To fulfil pre-listing requirement, an internal control consultant was engaged to assess and report on the Group's internal control and risk management systems. Following the internal control review, no significant weaknesses were identified that would require separate disclosure in the Annual Report.

After successful listing, the internal audit function is outsourced to an independent professional firm, Messrs. GovernanceAdvisory.com Sdn Bhd, appointed by the ARMC. This firm provides an independent evaluation of the Group's internal control effectiveness. Management is responsible for implementing corrective actions, with follow-up audits ensuring remediation of identified weaknesses.

The Board has reviewed the adequacy and effectiveness of the Group's risk management activities and internal control framework and ensured that necessary actions have been or are being taken to rectify weaknesses identified. The Board concludes that continual improvement on the effective system of risk management and internal control is in place to safeguard the shareholders' investment and the Group's assets.

## BOARD ASSURANCE AND LIMITATION

For the financial year under review, the Board is satisfied with the effectiveness of the existing risk management and internal control systems, with no material losses resulting from control weaknesses.

The Board has received assurance from Group Managing Director and Finance Controller that the Group remains committed to continuously improving its risk management and internal control systems. While these systems provide reasonable assurance, they do not completely eliminate the risk of failure to achieve business objectives or protect against material misstatements, fraud, or losses.

## REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

In compliance with Rule 15.23 of the Bursa Securities Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Control ("Statement") per the Audit and Assurance Practice Guide 3 ("AAPG3") issued by the Malaysian Institute of Accountants.

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

## **STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL**

### **CONCLUSION**

The Board is satisfied that the Group's internal control and risk management systems remain sound and adequate for its current operations for the financial year review, and up to the date of approval of this Statement. Acknowledging that internal control is an evolving process, the Board remains committed to continuous improvement and will take appropriate measures to enhance these systems.

This Statement is issued in accordance with a resolution passed by the Board on 7 April 2025.

# STATEMENT ON DIRECTORS' RESPONSIBILITY

The Board is required by the Companies Act, 2016 to present and ensure that financial statements are prepared in accordance with the applicable approved accounting standards and the requirements of the Companies Act, 2016 so as to give a true and fair view of the financial position of the Group and of the Company at the end of the financial year, and of the financial performance and the cash flows of the Group and of the Company for the financial year.

In preparing the financial statements for the FY2024, the Directors have:

- (a) adopted appropriate accounting policies and applied them consistently;
- (b) made judgements and estimations based on reasonableness and prudence;
- (c) complied applicable approved accounting standards; and
- (d) prepared the financial statements on the going concern basis.

The Directors are responsible to ensure that the Group and the Company keep proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company, enabling them to ensure that the financial statements comply with the Companies Act, 2016.

The Directors are also responsible for taking such reasonable steps to safeguard the assets of the Group and of the Company, and to prevent and detect fraud and other irregularities.

This Statement on Directors' Responsibility for preparing the financial statements is approved by the Board on 7 April 2025.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. UTILISATION OF PROCEEDS

The Company was listed on the ACE Market of Bursa Malaysia Securities Berhad (“Bursa Securities”) on 8 October 2024. As part of the listing exercise, the Company has undertaken a public issue of 108,644,300 new ordinary shares at an issue price of RM0.20 per share, raising gross proceeds of RM21.73 million.

The status of the utilisation of the proceeds as at 31 December 2024 is disclosed as follows:

Purposes	Estimated timeframe for use from the date of the Listing	Proposed utilisation RM'000	Actual utilisation RM'000	Balance to be utilised RM'000
Capital expenditure:				
- Purchase of press machines	Within 24 months	11,046	-	11,046
- Purchase of automation equipment	Within 24 months	4,500	-	4,500
- Renovation of Factory	Within 24 months	452	-	452
- Purchase of one overhead crane	Within 24 months	368	-	368
Working capital	Within 12 months	705	-	705
Estimated listing expenses	Within 1 month	4,658	4,658	-
Total		21,729	4,658	17,071

The utilisation of the proceeds as disclosed above should be read in conjunction with the Prospectus of the Company dated 19 September 2024.

## 2. AUDIT AND NON-AUDIT FEES

During the FY2024, Messrs. Crowe Malaysia PLT, the External Auditors have rendered audit and non-audit services to the Company and its subsidiary (“the Group”). The breakdown of the fees payable to the External Auditors is as follows:

	The Company RM'000	The Group RM'000
Audit services rendered	45	100
Non-audit services rendered		
- <i>Review of Statement of Risk Management and Internal Control</i>	5	5
	50	105

## 3. MATERIAL CONTRACTS INVOLVING DIRECTORS', CHIEF EXECUTIVE'S AND MAJOR SHAREHOLDERS' INTEREST

There were no material contracts entered into by the Company or its subsidiary (not being contracts entered into in the ordinary course of business) involving the interests of the Directors, chief executives and major shareholders which were still subsisting at the end of FY2024 or which were entered into since the end of the previous financial year.

## **ADDITIONAL COMPLIANCE INFORMATION**

### **4. RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) AND RELATED PARTY TRANSACTIONS (“RPT”)**

The recurrent related party transactions incurred by the Group for FY2024 did not exceed the threshold prescribed under Rule 10.09(1) of the ACE Market Listing Requirements of Bursa Securities.

# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

## PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding.

The information on the name, place of incorporation, principal activities, and percentage of issued share capital held by the holding company in a subsidiary company are set out in the "Subsidiary" section of this report.

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

## CONVERSION TO BERHAD STATUS

The Company was incorporated in Malaysia as a private limited company. On 1 March 2024, the Company was converted to a public limited company. Consequently, the Company assumed the name of KHPT Holdings Berhad.

## RESULTS

	The Group RM	The Company RM
Profit/(Loss) after taxation for the financial year	2,647,338	(3,385,123)
<hr/>		
Attributable to:-		
Owners of the Company	2,647,338	(3,385,123)

## DIVIDEND

No dividend was recommended by the directors for the financial year.

## RESERVES AND PROVISIONS

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

## ISSUES OF SHARES AND DEBENTURES

During the financial year:-

- (a) the Company increased its issued and paid-up share capital from RM2 to RM51,745,620 by way of:-
  - (i) issuance of 293,742,111 new ordinary shares pursuant to acquisition of a subsidiary; and
  - (ii) issuance of 108,644,300 new ordinary shares for a cash consideration of RM0.20 each in conjunction with the initial public offering ("IPO") of ACE Market of Bursa Malaysia Securities Berhad.

The new ordinary shares issued rank equally in all respects with the existing ordinary shares of the Company.

- (b) there were no issues of debentures by the Company.

## DIRECTORS' REPORT

### OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

### BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for impairment losses on receivables and satisfied themselves that there are no known bad debts and that adequate allowance had been made for impairment losses on receivables.

At the date of this report, the directors are not aware of any circumstances that would require the writing off of bad debts, or the additional allowance for impairment losses on receivables in the financial statements of the Group and of the Company.

### CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ensure that any current assets, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so to realise.

At the date of this report, the directors are not aware of any circumstances which would render the values attributed to the current assets in the financial statements misleading.

### VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

### CONTINGENT AND OTHER LIABILITIES

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

- (a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (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 of the Group and of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, 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.

### CHANGE OF CIRCUMSTANCES

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

# DIRECTORS' REPORT

## ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

## DIRECTORS

The names of directors of the Company who served during the financial year and up to the date of this report are as follows:-

Datin See Hui Pvng  
 Hideki Nomura  
 Dato' Tang Ngat Ngoh  
 Datuk Noor Azian Binti Shaari  
 Chan Yan San  
 Datuk Noripah Binti Kamso (Appointed on 21.3.2024)  
 Dato' Hamzah Bin Mohd Salleh (Resigned on 21.3.2024)

The names of directors of the Company's subsidiary who served during the financial year and up to the date of this report, not including those directors mentioned above, are as follows:-

Tiu Kuang Hong  
 See Hui Shi

## DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares or debentures of the Company and its related corporations during the financial year are as follows:-

	< ----- Number of Ordinary Shares ----- >			
	At	Bought/ Allotted	Sold	At
	1.1.2024			31.12.2024
<b>The Company</b>				
<i>Direct Interests</i>				
Datin See Hui Pvng	1 257,024,352	(33,196,800)		223,827,553
Hideki Nomura	-	381,300	-	381,300
Dato' Tang Ngat Ngoh	-	300,000	-	300,000
Datuk Noor Azian Binti Shaari	-	300,000	-	300,000
Datuk Noripah Binti Kamso	-	300,000	-	300,000
Chan Yan San	-	50,000	-	50,000
<i>Indirect Interests</i>				
Datin See Hui Pvng <sup>(1)</sup>	-	14,732,102	-	14,732,102

<sup>(1)</sup> Deemed interest by virtue of the shareholdings of her sister, being See Hui Shi, pursuant to the Section 8 of the Companies Act 2016.

## DIRECTORS' REPORT

### DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" section of this report) 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.

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

### DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:-

	The Group RM	The Company RM
Fees	184,500	184,500
Salaries, allowances and other benefits	357,217	8,000
Defined contribution benefits	41,690	-
	583,407	192,500

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Company was RM7,000.

### INDEMNITY AND INSURANCE COST

During the financial year, there was no indemnity given to or professional indemnity insurance effected for directors, officers or auditors of the Company.

### SUBSIDIARY

(a) The details of the Company's subsidiary are as follows:

Name of Subsidiary	Principal Place of Business	Percentage of Issued Share Capital Held by Parent	Principal activities
<i>Subsidiary of the Company</i>			
Automev Global Sdn. Bhd.	Malaysia	100%	Manufacturing and sale of automotive parts and components

(b) The available auditors' reports on the financial statements of the subsidiary did not contain any qualification.

# DIRECTORS' REPORT

## SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

### INITIAL PUBLIC OFFERING (“IPO”)

In conjunction with, and as an integral part of the listing of the Company’s shares on the ACE Market of Bursa Malaysia Securities Berhad, the following listing scheme was undertaken by the Company:-

- (a) Public issue of 108,644,300 new ordinary shares in the Company at an issue price of RM0.20 per share (“IPO Price”) allocated in the following manner:-
  - (i) 20,119,400 new shares made available for application by the Malaysian Public;
  - (ii) 10,059,700 new shares made available for application by the eligible directors and employees of the Group; and
  - (iii) 78,465,200 new shares made available by way of private placement to selected investors.
- (b) Offer for sale of 38,226,600 existing shares by way of private placement to selected investors at the IPO Price.

The Company’s entire enlarged issued and paid-up share capital comprising 402,386,413 ordinary shares were listed on the ACE Market of Bursa Malaysia Securities Berhad on 8 October 2024.

## AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors’ remuneration for the financial year are as follows:-

	The Group RM	The Company RM
Audit fees	100,000	45,000
Non-audit fees	5,000	5,000
	105,000	50,000

Signed in accordance with a resolution of the directors dated 7 April 2025.

**Datin See Hui Pvang**

**Hideki Nomura**

# STATEMENT BY DIRECTORS

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

We, Datin See Hui Pvng and Hideki Nomura, being two of the directors of KHPT Holdings Berhad, state that, in the opinion of the directors, the financial statements set out on pages 81 to 124 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 of 31 December 2024 and of their financial performance and cash flows for the financial year ended on that date.

Signed in accordance with a resolution of the directors dated 7 April 2025.

Datin See Hui Pvng

Hideki Nomura

# STATUTORY DECLARATION

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

I, Eng Shu Ling, MIA Membership Number: 41823, being the officer primarily responsible for the financial management of KHPT Holdings Berhad, do solemnly and sincerely declare that the financial statements set out on pages 81 to 124 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovementioned  
Eng Shu Ling, NRIC Number: 891113-14-5874  
at Kuala Lumpur  
in the Federal Territory  
on this 7 April 2025

Eng Shu Ling

Before me  
**Shaiful Hilmi Bin Halim**  
License No.: W 804  
Commissioner for Oaths  
Kuala Lumpur

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KHPT HOLDINGS BERHAD

(INCORPORATED IN MALAYSIA)  
 REGISTRATION NO: 201901005770 (1315097-M)

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of KHPT Holdings Berhad, which comprise the statements of financial position of the Group and of the Company as at 31 December 2024, 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 81 to 124.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, 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 *Auditor's 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"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

### Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report.

<b>Revenue recognition</b> Refer to Note 24 to the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the key audit matter</b>
Revenue is one of the largest accounts in the financial statements and an important driver of the Group's operating results. We focus on this area as it involves significant management judgement and estimates in determining the revenue recognition when (or as) the Group satisfy a performance obligation either over time or at a point in time.	Our procedures included, amongst others:- <ul style="list-style-type: none"> <li>• Conducting and understanding the internal control procedures by performing walkthrough test;</li> <li>• Perform test of control as appropriate;</li> <li>• Substantively test the various types of sales transactions before and after year end to check that they are recorded in the correct accounting period in accordance with the relevant terms of business;</li> <li>• Assess whether sales transactions either side of the balance sheet date as well as credit notes issued after year end are recognised in the correct period; and</li> <li>• Consider the adequacy of the Group's disclosures in respect of revenue.</li> </ul>

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KHPT HOLDINGS BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA)  
REGISTRATION NO: 201901005770 (1315097-M)

### Key Audit Matters (Cont'd)

<b>Recoverability of trade receivables</b> Refer to Note 10 to the financial statements	
<b>Key Audit Matter</b>	<b>How our audit addressed the key audit matter</b>
<p>As of 31 December 2024, the carrying amount of trade receivables is approximately RM13.39 million.</p> <p>The management recognised the allowance of impairment losses on trade receivables based on the following:-</p> <ol style="list-style-type: none"> <li>1. Customers' payment and credit history; and</li> <li>2. Specific known facts or circumstances on customers' ability to pay.</li> </ol> <p>We determined this to be a key audit matter due to the significant judgements and level of uncertainty involved in assessing the recoverability of trade receivables.</p>	<p>Our procedures included, amongst others:-</p> <ul style="list-style-type: none"> <li>• Reviewed the ageing analysis of receivables and tested its accuracy;</li> <li>• Reviewed subsequent collections for major receivables and overdue amounts;</li> <li>• Examined, where applicable, other evidence including customers' correspondences, proposed or existing settlement plans and repayment schedules; and</li> <li>• Evaluated, where applicable, the reasonableness and tested the adequacy of the Group's impairment losses recognised for identified exposures on trade receivables by assessing the relevant assumptions and historical data from the Group's previous collection experience.</li> </ul>

### 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.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KHPT HOLDINGS BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA)  
 REGISTRATION NO: 201901005770 (1315097-M)

## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements 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 TO THE MEMBERS OF KHPT HOLDINGS BERHAD (CONT'D)

(INCORPORATED IN MALAYSIA)  
REGISTRATION NO: 201901005770 (1315097-M)

## OTHER MATTERS

This report is made solely to the members of the Group and 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.

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Kuala Lumpur

7 April 2025

**Lean Wei Ee**  
03827/05/2026 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2024

	Note	The Group		The Company	
		2024	2023	2024	2023
		RM	RM	RM	RM
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Investment in a subsidiary	6	-	-	31,724,148	-
Property, plant and equipment	7	23,379,832	22,991,351	8,380	3,809
Investment property	8	-	-	-	-
		23,379,832	22,991,351	31,732,528	3,809
<b>CURRENT ASSETS</b>					
Inventories	9	2,385,419	3,816,788	-	-
Trade receivables	10	13,388,891	12,679,904	-	-
Other receivables, deposits, and prepayments	11	960,908	3,077,641	168,474	307,400
Current tax assets		755,433	-	-	-
Fixed deposits with licensed banks	12	10,333,498	6,304,235	-	-
Cash and bank balances		27,302,327	6,080,234	17,101,054	100,002
		55,126,476	31,958,802	17,269,528	407,402
Non-current asset held for sale	13	-	3,780,000	-	-
		55,126,476	35,738,802	17,269,528	407,402
<b>TOTAL ASSETS</b>		<b>78,506,308</b>	<b>58,730,153</b>	<b>49,002,056</b>	<b>411,211</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
Share capital	14(a)	51,745,620	2	51,745,620	2
Invested capital	14(b)	-	250,000	-	-
Merger deficit	15	(31,474,148)	-	-	-
Retained profits/(Accumulated losses)		35,024,154	32,376,816	(3,446,934)	(61,811)
<b>TOTAL EQUITY</b>		<b>55,295,626</b>	<b>32,626,818</b>	<b>48,298,686</b>	<b>(61,809)</b>
<b>NON-CURRENT LIABILITIES</b>					
Lease liabilities	16	-	41,707	-	-
Term loans	17	-	651,050	-	-
Deferred tax liabilities	18	888,000	948,027	-	-
		888,000	1,640,784	-	-

## STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>EQUITY AND LIABILITIES (CONT'D)</b>					
<b>CURRENT LIABILITIES</b>					
Trade payables	19	12,418,837	12,724,676	-	-
Other payables and accruals	20	5,145,595	5,472,806	110,806	23,346
Amount owing to a subsidiary	21	-	-	585,364	-
Amount owing to a related party	22	-	-	-	449,674
Bankers' acceptances	23	4,100,000	4,900,006	-	-
Lease liabilities	16	-	19,137	-	-
Term loans	17	651,050	1,256,972	-	-
Current tax liabilities		7,200	88,954	7,200	-
		22,322,682	24,462,551	703,370	473,020
<b>TOTAL LIABILITIES</b>		<b>23,210,682</b>	<b>26,103,335</b>	<b>703,370</b>	<b>473,020</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>78,506,308</b>	<b>58,730,153</b>	<b>49,002,056</b>	<b>411,211</b>

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
REVENUE	24	105,014,692	114,081,850	-	-
COST OF SALES		(92,365,001)	(99,938,765)	-	-
GROSS PROFIT		12,649,691	14,143,085	-	-
OTHER INCOME		1,051,577	556,068	68,671	-
ADMINISTRATIVE EXPENSES		(5,536,722)	(5,093,980)	(348,172)	(31,233)
OTHER EXPENSES		(3,695,975)	(1,452,176)	(3,091,222)	(37)
REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS	25	-	260,083	-	-
PROFIT/(LOSS) BEFORE TAXATION	26	4,468,571	8,413,080	(3,370,723)	(31,270)
INCOME TAX EXPENSE	27	(1,821,233)	(2,879,611)	(14,400)	-
PROFIT/(LOSS) AFTER TAXATION		2,647,338	5,533,469	(3,385,123)	(31,270)
OTHER COMPREHENSIVE INCOME		-	-	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSES) FOR THE FINANCIAL YEAR		2,647,338	5,533,469	(3,385,123)	(31,270)
<b>PROFIT/(LOSS) AFTER TAXATION/TOTAL COMPREHENSIVE INCOME/(EXPENSES) ATTRIBUTABLE TO:-</b>					
Owners of the Company		2,647,338	5,533,469	(3,385,123)	(31,270)
<b>EARNINGS PER SHARE (SEN)</b>					
- Basic	28	0.84	2,213.37		
- Diluted	28	0.84	2,213.37		

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

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share Capital RM	Invested Capital RM	Merger Deficit RM	Retained Profits RM	Total Equity RM
<b>The Group</b>						
Balance at 1.1.2023		2	250,000	-	27,843,347	28,093,349
Profit after taxation/Total comprehensive income for the financial year		-	-	-	5,533,469	5,533,469
Dividend	29	-	-	-	(1,000,000)	(1,000,000)
Balance at 31.12.2023/1.1.2024		2	250,000	-	32,376,816	32,626,818
Profit after taxation/Total comprehensive income for the financial year		-	-	-	2,647,338	2,647,338
Issuance of shares pursuant to acquisition of a subsidiary	14	31,724,148	-	-	-	31,724,148
Issuance of shares by the Company	14	21,728,860	-	-	-	21,728,860
Share issuance expenses	14	(1,707,390)	-	-	-	(1,707,390)
Total contributions by and distributions to owners		51,745,618	-	-	-	51,745,618
Effect of acquisition of subsidiary	14	-	(250,000)	(31,474,148)	-	(31,724,148)
Balance at 31.12.2024		51,745,620	-	(31,474,148)	35,024,154	55,295,626

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

## STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Share Capital RM	Accumulated Losses RM	Total Equity RM
<b>The Company</b>				
Balance at 1.1.2023		2	(30,541)	(30,539)
Loss after taxation/Total comprehensive expenses for the financial year		-	(31,270)	(31,270)
Balance at 31.12.2023/1.1.2024		2	(61,811)	(61,809)
Loss after taxation/Total comprehensive expenses for the financial year		-	(3,385,123)	(3,385,123)
Contribution by and distribution to owners of the Company:				
- Issuance of shares pursuant to acquisition of a subsidiary	14	31,724,148	-	31,724,148
- Issuance of shares by the Company	14	21,728,860	-	21,728,860
- Share issuance expenses	14	(1,707,390)	-	(1,707,390)
		51,745,618	-	51,745,618
Balance at 31.12.2024		51,745,620	(3,446,934)	48,298,686

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

# STATEMENTS OF CASH FLOWS

## FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
<b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES</b>					
Profit/(Loss) before taxation		4,468,571	8,413,080	(3,370,723)	(31,270)
Adjustments for:-					
Depreciation of property, plant and equipment		1,863,105	1,879,045	835	37
Property, plant and equipment written off		13,040	78,060	-	-
Bad debts recovered		-	(6,314)	-	-
Bad debts written off		-	6,680	-	-
Deposits written off		27,581	-	-	-
Impairment loss on non-current asset held for sale		-	1,031,569	-	-
Reversal for impairment loss on trade receivables		-	(260,083)	-	-
Gain on disposal of property, plant and equipment		(55,888)	(271,064)	-	-
Interest expense		281,522	355,500	-	-
Interest income		(397,484)	(185,538)	(68,671)	-
Operating profit/(loss) before working capital changes		6,200,447	11,040,935	(3,438,559)	(31,233)
Decrease/(Increase) in inventories		1,431,369	(56,997)	-	-
Decrease/(Increase) in trade and other receivables		1,842,809	3,085,698	168,542	(307,400)
(Decrease)/Increase in trade and other payables		(633,050)	(595,563)	87,460	20,846
<b>CASH FROM/(FOR) OPERATIONS</b>		<b>8,841,575</b>	<b>13,474,073</b>	<b>(3,182,557)</b>	<b>(317,787)</b>
Income tax paid		(2,718,447)	(4,000,479)	(7,200)	-
Income tax refund		-	583,616	-	-
Interest paid		(279,512)	(348,638)	-	-
Interest received		312,840	160,073	39,055	-
<b>NET CASH FROM/(FOR) OPERATING ACTIVITIES</b>		<b>6,156,456</b>	<b>9,868,645</b>	<b>(3,150,702)</b>	<b>(317,787)</b>
<b>CASH FLOWS FOR INVESTING ACTIVITIES</b>					
Proceeds from disposal of property, plant and equipment		55,900	393,476	-	-
Proceeds from disposal of asset held for sale		3,402,000	-	-	-
Purchase of property, plant and equipment	30(a)	(2,264,638)	(5,526,134)	(5,406)	(3,846)
Addition to fixed deposits with tenure more than 3 months		(2,029,263)	(304,235)	-	-
<b>NET CASH FOR INVESTING ACTIVITIES</b>		<b>(836,001)</b>	<b>(5,436,893)</b>	<b>(5,406)</b>	<b>(3,846)</b>

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

## STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	The Group		The Company	
		2024 RM	2023 RM	2024 RM	2023 RM
CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES					
Dividend paid		-	(1,000,000)	-	-
Payment of shares expenses		(1,707,390)	-	(1,707,390)	-
Proceeds from issuance of shares		21,728,860	-	21,728,860	-
Proceeds from bankers' acceptances	30(b)	13,300,017	15,600,027	-	-
Repayment of bankers' acceptances	30(b)	(14,100,023)	(15,700,021)	-	-
Repayment of lease interest	30(b)	(2,010)	(6,862)	-	-
Repayment of lease liabilities	30(b)	(60,844)	(131,939)	-	-
Repayment of term loans	30(b)	(1,256,972)	(1,231,170)	-	-
Repayment of advances to subsidiary		-	-	(3,082,997)	-
Advances from subsidiary		-	-	3,218,687	-
Repayment from a related party		-	42,679	-	-
Advances (to)/from a related party		-	(12,448)	-	421,633
<b>NET CASH FROM/(FOR) FINANCING ACTIVITIES</b>		<b>17,901,638</b>	<b>(2,439,734)</b>	<b>20,157,160</b>	<b>421,633</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>		<b>23,222,093</b>	<b>1,992,018</b>	<b>17,001,052</b>	<b>100,000</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<b>12,080,234</b>	<b>10,088,216</b>	<b>100,002</b>	<b>2</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	30(c)	<b>35,302,327</b>	<b>12,080,234</b>	<b>17,101,054</b>	<b>100,002</b>

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 1. GENERAL INFORMATION

The Company is a public limited company, incorporated and domiciled in Malaysia and listed on the ACE Market of Bursa Malaysia Securities Berhad. The registered office and principal place of business are as follows:-

Registered office	12 <sup>th</sup> Floor, Menara Symphony No.5, Jalan Professor Khoo Kay Kim Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan, Malaysia.
Principal place of business	Lot 2228, Jalan Kasawari Kawasan Perusahaan Kebun Baru Batu 9, Kg. Kebun Baru 42500 Telok Panglima Garang Kuala Langat Selangor Darul Ehsan, Malaysia.

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiary as of the end of the reporting period. The Company and its subsidiary are collectively referred to as “the Group”.

The financial statements of the Company and of the Group are presented in Ringgit Malaysia (“RM”), which is the Company’s functional and presentation currency.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 7 April 2025.

## 2. CONVERSION TO BERHAD STATUS

The Company was incorporated in Malaysia as a private limited company. On 1 March 2024, the Company was converted to a public limited company. Consequently, the Company assumed the name of KHPT Holdings Berhad.

## 3. PRINCIPAL ACTIVITIES

The Company is principally engaged in the business of investment holding. The principal activity of the subsidiary is set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

## 4. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

4.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

### **MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

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

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 4. BASIS OF PREPARATION (CONT'D)

- 4.1 The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.
- 4.2 The Group and the Company have not applied in advance the following accounting standard(s) and/or interpretation(s) (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18: Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard sets out the new requirements for the presentation and disclosure of information in the primary financial statements and notes. The potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

## 5. MATERIAL ACCOUNTING POLICY INFORMATION

### 5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

#### *Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:-

#### **(a) Depreciation of Property, Plant and Equipment**

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 7 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

#### 5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

*Key Sources of Estimation Uncertainty (Cont'd)*

##### (b) Impairment of Property, Plant and Equipment and Investment Property

The Group and the Company determine whether an item of its property, plant and equipment and investment property is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment and investment property as at the reporting date are disclosed in Notes 7 and 8 to the financial statements respectively.

##### (c) Write-down of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 9 to the financial statements.

##### (d) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops the expected loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts for qualitative and quantitative reasonable and supportable forward-looking information. If the expectation is different from the estimation, such difference will impact the carrying values of trade receivables. The carrying amount of trade receivables as at the reporting date are disclosed in Note 10 to the financial statements.

##### (e) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss rates if a default happens (loss given default). It also requires the Group and the Company to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group and the Company uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information. The carrying amount of other receivables as at the reporting date are disclosed in Note 11 to the financial statements.

##### (f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made. The carrying amount of current tax assets of the Group and current tax liabilities of the Company as at the reporting date are RM755,433 and RM7,200 respectively (2023 - current tax liabilities of the Group RM88,954).

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 5.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

#### *Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the Group's and the Company's accounting policies which will have a significant effect on the amounts recognised in the financial statements.

### 5.2 FINANCIAL INSTRUMENTS

#### (a) Financial Assets

##### Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

##### Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

##### Financial Assets Through Other Comprehensive Income

The financial assets are initially measured at fair value plus transaction costs. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes taken up in other comprehensive income and accumulated in the fair value reserve, except for the recognition of impairment, interest income and foreign exchange difference of a debt instrument which are recognised directly in profit or loss. The fair value changes do not include interest and dividend income.

#### (b) Financial Liabilities

##### Financial Liabilities Through Profit or Loss

The financial liabilities are initially measured at fair value. Subsequent to the initial recognition, the financial liabilities are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest expense.

##### Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

#### (c) Equity

##### Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 5.3 BASIS OF CONSOLIDATION

The Group applies the acquisition method of accounting for all business combinations except for those involving entities under common control which are accounted for applying the merger method of accounting.

Under the merger method of accounting, the assets and liabilities of the merger entities are reflected in the financial statements of the Group at their carrying amounts reported in the individual financial statements. The consolidated statement of profit or loss and other comprehensive income reflect the results of the merger entities for the full reporting period (irrespective of when the combination takes place) and comparatives are presented as if the entities had always been combined since the date for which the entities had come under common control.

The difference between the cost of the merger and the share capital of the merger entities is reflected within equity as merger reserve or merger deficit, as appropriate. The merger deficit is adjusted against suitable reserves of the merger entities to the extent that laws or statutes do not prohibit the use of such reserves.

### 5.4 INVESTMENT IN A SUBSIDIARY

Investment in a subsidiary which is eliminated on consolidation, is stated in the financial statements of the Company at cost less impairment losses, if any.

### 5.5 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to initial recognition, all property, plant and equipment, other than freehold land, are stated at cost less accumulated depreciation and any impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates used for this purpose are:-

Factory building	4%
Plant and machinery	10% - 25%
Motor vehicles	20% - 30%
Office equipment and furniture	10% - 33%
Renovation	10%

### 5.6 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average cost method and comprises all costs of purchase, cost of conversion plus other costs incurred in bringing the inventories to their present location and condition.

Net realisable value represents the estimated selling price less the estimated costs of completion and the estimated costs necessary to make the sale.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 5. MATERIAL ACCOUNTING POLICY INFORMATION (CONT'D)

### 5.7 INVESTMENT PROPERTY

Investment property is initially measured at cost. Subsequent to the initial recognition, the investment properties is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation on investment property is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual rates used for this purpose are:-

Leasehold land	60 - 99 years
Building	2% - 10%

### 5.8 LEASES RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

#### (a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

#### (b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

#### (c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities’ incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 6. INVESTMENT IN A SUBSIDIARY

	The Company	
	2024	2023
	RM	RM
Unquoted shares, at cost	31,724,148	-

The details of the subsidiary are as follows:-

Name of Subsidiary	Principal Place of Business and Country of Incorporation	Percentage of Issued Share Capital Held by Parent		Principal activities
		2024	2023	
<i>Subsidiary of the Company</i>				
Automev Global Sdn. Bhd. ("AGSB")	Malaysia	100%	-	Manufacturing and sale of automotive parts and components.

During the current financial year, the Company has acquired 250,000 ordinary shares of AGBS, representing 100% of the total issued share capital of AGBS by the issuance of 293,742,111 new ordinary shares at RM0.108 per share amounting to RM31,724,148.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 7. PROPERTY, PLANT AND EQUIPMENT

The Group	At	Transfer from		Write Off	Disposals	Depreciation	At
	1.1.2024	Additions	Right-of-use				Assets
	RM	RM	RM	RM	RM	RM	RM
<i>Carrying Amount</i>							
<i>Right-of-use asset</i>							
Motor vehicles	68,275	-	(51,250)	-	-	(17,025)	-
<i>Owned assets</i>							
Freehold land	13,421,500	-	-	-	-	-	13,421,500
Factory building	1,098,348	-	-	-	-	(127,475)	970,873
Plant and machinery	5,872,878	742,415	-	-	-	(1,195,589)	5,419,704
Motor vehicles	155,090	329,650	51,250	(7,783)	(1)	(53,448)	474,758
Office equipment and furniture	802,279	1,130,373	-	(5,257)	(11)	(296,760)	1,630,624
Renovation	1,572,981	62,200	-	-	-	(172,808)	1,462,373
	22,991,351	2,264,638	-	(13,040)	(12)	(1,863,105)	23,379,832

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At	Additions	Write Off	Disposals	Depreciation Charges (Note 26)	At
	1.1.2023					31.12.2023
	RM	RM	RM	RM	RM	RM
<b>2023</b>						
<i>Carrying Amount</i>						
<i>Right-of-use asset</i>						
Motor vehicles	240,376	-	-	(89,862)	(82,239)	68,275
<i>Owned assets</i>						
Freehold land	13,421,500	-	-	-	-	13,421,500
Factory building	1,227,115	-	(1,237)	-	(127,530)	1,098,348
Plant and machinery	3,585,486	3,767,773	(21,841)	(20,877)	(1,437,663)	5,872,878
Motor vehicles	3	179,224	-	(1)	(24,136)	155,090
Office equipment and furniture	418,675	516,554	(14,024)	(11,672)	(107,254)	802,279
Renovation	651,579	1,062,583	(40,958)	-	(100,223)	1,572,981
	19,544,734	5,526,134	(78,060)	(122,412)	(1,879,045)	22,991,351

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The Group	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>2024</b>			
<i>Carrying Amount</i>			
<i>Right-of-use assets</i>			
Motor vehicles	-	-	-
<i>Owned assets</i>			
Freehold land	13,421,500	-	13,421,500
Factory building	3,186,878	(2,216,005)	970,873
Plant and machinery	24,337,890	(18,918,186)	5,419,704
Motor vehicles	775,888	(301,130)	474,758
Office equipment and furniture	2,507,243	(876,619)	1,630,624
Renovation	1,742,688	(280,315)	1,462,373
	45,972,087	(22,592,255)	23,379,832
<b>2023</b>			
<i>Carrying Amount</i>			
<i>Right-of-use assets</i>			
Motor vehicles	294,462	(226,187)	68,275
<i>Owned assets</i>			
Freehold land	13,421,500	-	13,421,500
Factory building	3,186,878	(2,088,530)	1,098,348
Plant and machinery	23,595,475	(17,722,597)	5,872,878
Motor vehicles	314,185	(159,095)	155,090
Office equipment and furniture	1,392,486	(590,207)	802,279
Renovation	1,680,488	(107,507)	1,572,981
	43,885,474	(20,894,123)	22,991,351

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At 1.1.2024 RM	Addition RM	Depreciation Charge (Note 26) RM	At 31.12.2024 RM
<b>The Company</b>				
<b>2024</b>				
<i>Carrying Amount</i>				
Office equipment and furniture	3,809	5,406	(835)	8,380

	At 1.1.2023 RM	Addition RM	Depreciation Charge (Note 26) RM	At 31.12.2023 RM
<b>2023</b>				
<i>Carrying Amount</i>				
Office equipment and furniture	-	3,846	(37)	3,809

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
<b>The Company</b>			
<b>2024</b>			
<i>Carrying Amount</i>			
Office equipment and furniture	9,252	(872)	8,380

<b>2023</b>			
<i>Carrying Amount</i>			
Office equipment and furniture	3,846	(37)	3,809

- (a) The freehold land, factory building and plant and machinery of the Group have been pledged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 17 and 23 to the financial statements respectively.
- (b) In the previous financial year, included in the property, plant and equipment of the Group were motor vehicles with a carrying amount of RM68,275 which were acquired under hire purchase terms have been classified as 'right-of-use assets' following the application of MFRS 16 by the Group. During the year, the motor vehicles are transferred to Property, Plant and Equipment upon early settlement by the Group.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 7. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

- (c) Carrying amount of property, plant and equipment charged to licensed banks as security for banking facilities granted to the Group as disclosed in Notes 17 and 23 to the financial statements respectively:-

	The Group	
	2024	2023
	RM	RM
Freehold land	13,421,500	13,421,500
Factory building	970,873	1,098,348
Plant and machinery	874,464	1,088,981
	15,266,837	15,608,829

### 8. INVESTMENT PROPERTY

	The Group	
	2024	2023
	RM	RM
Cost:-		
At 1 January	-	4,811,569
Transfer to non-current asset held for sale (Note 13)	-	(3,780,000)
Impairment loss (Note 26)	-	(1,031,569)
	-	-
At 31 December	-	-

The investment property has been reclassified to non-current asset held for sale at 31 December 2023.

The carrying amount of the investment property is measured at the lower of its carrying amount and fair value less costs to sell. In the previous financial year, an impairment loss of RM1,031,569, representing the write-down of the investment property, was recognised in "Other Expenses" line item of the statements of profit or loss and other comprehensive income as disclosed in Note 26 to the financial statements.

### 9. INVENTORIES

	The Group	
	2024	2023
	RM	RM
Raw materials	333,871	269,755
Work-in-progress	824,801	757,648
Finished goods	1,226,747	2,789,385
	2,385,419	3,816,788
Recognised in profit or loss:-		
Inventories recognised as cost of sales	79,581,579	85,387,972

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 10. TRADE RECEIVABLES

	The Group	
	2024 RM	2023 RM
Trade receivables	13,388,891	12,679,904
Less: Allowance for impairment losses	-	-
	<b>13,388,891</b>	<b>12,679,904</b>
Allowance for impairment losses:-		
At 1 January	-	368,901
Reversal during the financial year (Note 25)	-	(260,083)
Write-off during the financial year	-	(108,818)
At 31 December	-	-

The Group's normal trade credit terms range from 30 to 90 (2023 - 30 to 90) days.

### 11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Other receivables	105,645	179,781	29,616	-
Goods and services tax recoverable	13,741	13,744	-	-
Deposits	127,148	136,328	-	-
Prepayments	714,374	2,747,788	138,858	307,400
	<b>960,908</b>	<b>3,077,641</b>	<b>168,474</b>	<b>307,400</b>

### 12. FIXED DEPOSITS WITH LICENSED BANKS

The fixed deposits with licensed banks of the Group during the financial year bore effective interest rates ranging from 2.50% to 3.60% (2023 - 2.80% to 3.55%) per annum. The fixed deposits have maturity periods ranging from 3 to 6 (2023 - 3 to 6) months.

### 13. NON-CURRENT ASSET HELD FOR SALE

In the previous financial year, non-current asset held for sale is in respect of investment property comprising freehold agricultural land located at Lot No. 2625, Mukim of Teluk Panglima Garang, District of Kuala Langat, 42500 Selangor with a carrying amount of RM4,811,569, which the Company has committed to dispose. On 1 August 2023, the Company entered into a Sale and Purchase Agreement with an individual buyer to sell the property for a cash consideration of RM3,780,000. The sale has been completed upon receipt of full payment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 14. SHARE CAPITAL AND INVESTED CAPITAL

(a) Share capital

	The Group		The Company	
	2024	2023	2024	2023
	Number of shares			
<b>Issued and Fully Paid-Up</b>				
Ordinary shares				
At 1 January	2	2	2	2
Issuance of shares pursuant to acquisition of a subsidiary	293,742,111	-	293,742,111	-
Issuance of shares by the Company	108,644,300	-	108,644,300	-
At 31 December	402,386,413	2	402,386,413	2

	The Group		The Company	
	2024	2023	2024	2023
	RM			
<b>Issued and Fully Paid-Up</b>				
Ordinary shares				
At 1 January	2	2	2	2
Issuance of shares pursuant to acquisition of a subsidiary	31,724,148	-	31,724,148	-
Issuance of shares by the Company	21,728,860	-	21,728,860	-
Share issuance expenses	(1,707,390)	-	(1,707,390)	-
At 31 December	51,745,620	2	51,745,620	2

- (i) The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.
- (ii) During the financial year, the Company increased its issued and paid-up share capital from RM2 to RM51,745,620 by way of:-
- issuance of 293,742,111 new ordinary shares pursuant to acquisition of a subsidiary; and
  - issuance of 108,644,300 new ordinary shares for a cash consideration of RM0.20 each in conjunction with the initial public offering (“IPO”) of ACE Market of Bursa Malaysia Securities Berhad.
- The new ordinary shares issued rank equally in all respect with the existing ordinary shares of the Company.
- (iii) The listing expenses arising from the issuance of new shares amounting to RM1,707,390 were offset against the share capital and the remaining listing expenses of RM3,007,531 were expensed off to profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 14. SHARE CAPITAL AND INVESTED CAPITAL (CONT'D)

(b) Invested capital

	The Group			
	2024	2023	2024	2023
	Number of shares		RM	
<b>Issued and Fully Paid-Up</b>				
Ordinary shares				
At 1 January	250,000	250,000	250,000	250,000
Effect of acquisition of a subsidiary	(250,000)	-	(250,000)	-
At 31 December	-	250,000	-	250,000

### 15. MERGER DEFICIT

The merger deficit arose from the difference between the carrying amount of the investment and the nominal value of the shares of a subsidiary upon consolidation under the merger accounting principles.

### 16. LEASE LIABILITIES

	The Group	
	2024	2023
	RM	RM
At 1 January	60,844	192,783
Interest expense recognised in profit or loss	2,010	6,862
Repayment of principal	(60,844)	(131,939)
Repayment of interest expense	(2,010)	(6,862)
At 31 December	-	60,844
Analysed by:-		
Current liabilities	-	19,137
Non-current liabilities	-	41,707
	-	60,844

Lease liabilities of the Group are secured by the Group's motor vehicles under the hire purchase arrangements as disclosed in Note 7 to the financial statements, with lease terms of 5 years and bore an effective interest rate of 5.71% (2023 - 4.16% to 5.71%).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 17. TERM LOANS (SECURED)

	The Group	
	2024	2023
	RM	RM
Current liabilities	651,050	1,256,972
Non-current liabilities	-	651,050
	651,050	1,908,022

(a) The term loans are secured by:-

- (i) third party charge against the freehold land and factory building of the Group as disclosed in Notes 7(a) and 7(c) to the financial statements respectively;
- (ii) joint and several guarantees by the directors of the Group; and
- (iii) a fixed charge over the plant and machinery financed by the licensed bank as disclosed in Notes 7(a) and 7(c) to the financial statements respectively.

(b) The interest rate profile of the term loans is summarised below:-

	Effective Interest Rate %	The Group	
		2024	2023
		RM	RM
Fixed rate term loans	3.50 - 4.00	544,925	1,135,237
Floating rate term loan	5.57 - 5.82	106,125	772,785
		651,050	1,908,022

### 18. DEFERRED TAX LIABILITIES

	The Group	
	2024	2023
	RM	RM
At 1 January	948,027	1,159,259
Recognised in profit or loss (Note 27)	(60,027)	(211,232)
At 31 December	888,000	948,027

### 19. TRADE PAYABLES

The normal trade credit term granted to the Group is 60 (2023 - 60) days.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 20. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Other payables	1,415,747	2,121,717	45,806	3,846
Accruals	3,729,848	3,351,089	65,000	19,500
	5,145,595	5,472,806	110,806	23,346

### 21. AMOUNT OWING TO A SUBSIDIARY

	The Company	
	2024	2023
	RM	RM
<u>Current</u>		
Non-trade balance	585,364	-

The non-trade balance represents inter-company advances and payments on behalf which are interest free, unsecured and repayable on demand. The amount owing is to be settled in cash.

### 22. AMOUNT OWING TO A RELATED PARTY

	The Company	
	2024	2023
	RM	RM
<u>Current</u>		
Non-trade balance	-	449,674

In the previous financial year, the non-trade balance represented inter-company advances and payments on behalf which were interest free, unsecured and repayable on demand.

### 23. BANKERS' ACCEPTANCES

- (a) The bankers' acceptances are secured by:-
- (i) third party charge against the freehold land and factory building of the Group as disclosed in Notes 7(a) and 7(c) to the financial statements respectively; and
  - (ii) joint and several guarantees by the directors of the Group.
- (b) The bankers' acceptances of the Group at the end of the reporting period bore effective interest rates ranging from 3.64% to 5.14% (2023 - 3.70% to 5.14%) per annum.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 24. REVENUE

(a) The revenue represents sales of automotive parts and components which are recognised at a point in time upon physical acceptance by the customers. The revenue is derived primarily from local sales amounting to RM105,014,692 (2023 - RM114,081,850).

(b) The information of the revenue from other sources is summarised below:-

#### Interest Income

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

### 25. REVERSAL OF IMPAIRMENT LOSSES ON FINANCIAL ASSETS

	The Group	
	2024 RM	2023 RM
Reversal of impairment losses:		
- trade receivables (Note 10)	-	(260,083)

### 26. PROFIT/(LOSS) BEFORE TAXATION

	The Group		The Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):-				
Auditors' remuneration:				
- audit fees	100,000	57,500	45,000	2,500
- non-audit fees:				
- auditors of the Company	5,000	46,000	5,000	2,000
Directors' remuneration (Note 31(a))	583,407	640,452	192,500	15,000
<b>Material Expenses/(Income)</b>				
Bad debts written off	-	6,680	-	-
Deposits written off	27,581	-	-	-
Depreciation of property, plant and equipment	1,863,105	1,879,045	835	37
Property, plant and equipment written off	13,040	78,060	-	-
Impairment loss on non-current assets held for sale	-	1,031,569	-	-
Interest expense on financial liabilities that are not at fair value through profit or loss:				
- bankers' acceptances	213,520	219,966	-	-
- lease liabilities	2,010	6,862	-	-
- term loans	65,862	125,190	-	-
- bank overdrafts	130	3,482	-	-
Listing expenses	3,007,531	-	3,007,531	-
Net realised loss on foreign exchange	24,926	22,014	-	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 26. PROFIT/(LOSS) BEFORE TAXATION (CONT'D)

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit/(Loss) before taxation is arrived at after charging/(crediting):- (Cont'd)				
<b>Material Expenses/(Income) (Cont'd)</b>				
Short-term rental expenses:				
- office equipment	64,644	33,283	-	-
- forklifts	252,130	259,122	-	-
- workers' quarters	241,000	204,090	-	-
Staff costs:				
- salaries, wages, and allowances	8,185,782	8,404,523	-	-
- defined contribution plan	341,925	329,362	-	-
- others	863,238	726,634	-	-
Bad debt recovered	-	(6,314)	-	-
Gain on disposal of property, plant and equipment	(55,888)	(271,064)	-	-
Government grant	(500,000)	-	-	-
Interest income	(397,484)	(185,538)	(68,671)	-

### 27. INCOME TAX EXPENSE

#### Income Tax Expenses Recognised in Profit or Loss

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Income tax:				
- for the financial year	1,997,425	2,462,257	14,400	-
- (over)/under provision in the previous financial year	(116,165)	628,586	-	-
	1,881,260	3,090,843	14,400	-
Deferred tax (Note 18):				
- for the financial year	22,119	178,351	-	-
- overprovision in the previous financial year	(82,146)	(389,583)	-	-
	(60,027)	(211,232)	-	-
	1,821,233	2,879,611	14,400	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 27. INCOME TAX EXPENSE (CONT'D)

#### Income Tax Expenses Recognised in Profit or Loss (Cont'd)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company are as follows:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Profit/(Loss) before taxation	4,468,571	8,413,080	(3,370,723)	(31,270)
Tax at the statutory tax rate of 24%	1,072,457	2,019,139	(808,974)	(7,505)
Tax effects of:-				
Non-deductible expenses	1,067,087	642,859	823,374	7,505
Non-taxable income	(120,000)	(21,390)	-	-
(Over)/Underprovision of income tax expense in the previous financial year	(116,165)	628,586	-	-
Overprovision of deferred taxation in the previous financial year	(82,146)	(389,583)	-	-
	1,821,233	2,879,611	14,400	-

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 28. EARNINGS PER ORDINARY SHARE

#### (a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the consolidated profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
Profit after taxation attributable to equity holders of the Company (RM)	2,647,338	5,533,469
Weighted average number of ordinary shares in issue (unit)	315,107,170	250,002
Basic earnings per ordinary share (sen)	0.84	2,213.37

#### (b) Diluted Earnings Per Share

The diluted earnings per share is equal to the basic earnings per share because there were no potential ordinary shares during the financial year.

### 29. DIVIDEND

	<b>The Group</b>	
	<b>2024</b>	<b>2023</b>
	RM	RM
<b>Ordinary shares</b>		
First interim dividend of 400 sen per ordinary share was declared and paid by the subsidiary of the Company in respect of the previous financial year	-	1,000,000

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 30. CASH FLOW INFORMATION

(a) The cash disbursed for the purchase of property, plant and equipment is as follows:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	RM	RM	RM	RM
Cost of property, plant and equipment purchased (Note 7)	2,264,638	5,526,134	5,406	3,846

(b) The reconciliations of liabilities arising from financing activities are as follows:-

<b>The Group</b>	Term Loans RM	Lease Liabilities RM	Bankers' Acceptances RM	Total RM
<b>2024</b>				
At 1 January	1,908,022	60,844	4,900,006	6,868,872
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	-	-	13,300,017	13,300,017
Repayment of principal	(1,256,972)	(60,844)	(14,100,023)	(15,417,839)
Repayment of interests	(65,862)	(2,010)	(213,520)	(281,392)
	(1,322,834)	(62,854)	(1,013,526)	(2,399,214)
<u>Non-cash Changes</u>				
Interest expense recognised in profit or loss (Note 26)	65,862	2,010	213,520	281,392
At 31 December	651,050	-	4,100,000	4,751,050

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 30. CASH FLOW INFORMATION (CONT'D)

(b) The reconciliations of liabilities arising from financing activities are as follows:- (Cont'd)

The Group	Term Loans RM	Lease Liabilities RM	Bankers' Acceptances RM	Total RM
<b>2023</b>	3,139,192	192,783	5,000,000	8,331,975
At 1 January				
<u>Changes in Financing Cash Flows</u>				
Proceeds from drawdown	-	-	15,600,027	15,600,027
Repayment of principal	(1,231,170)	(131,939)	(15,700,021)	(17,063,130)
Repayment of interests	(125,190)	(6,862)	(219,966)	(352,018)
	(1,356,360)	(138,801)	(319,960)	(1,815,121)
<u>Non-cash Changes</u>				
Interest expense recognised in profit or loss (Note 26)	125,190	6,862	219,966	352,018
At 31 December	1,908,022	60,844	4,900,006	6,868,872

(c) The cash and cash equivalents comprise the following:-

	<b>The Group</b>		<b>The Company</b>	
	<b>2024</b> RM	<b>2023</b> RM	<b>2024</b> RM	<b>2023</b> RM
Fixed deposits with licensed banks	10,333,498	6,304,235	-	-
Cash and bank balances	27,302,327	6,080,234	17,101,054	100,002
	37,635,825	12,384,469	17,101,054	100,002
Less: Fixed deposit with tenure of more than 3 months	(2,333,498)	(304,235)	-	-
	35,302,327	12,080,234	17,101,054	100,002

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 31. KEY MANAGEMENT PERSONNEL COMPENSATION

The key management personnel of the Group and of the Company include executive directors of the Company and certain members of senior management of the Group and of the Company.

The key management personnel compensation during the financial year are as follows:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>(a) Directors of the Company</b>				
<u>Directors of the Company</u>				
Short-term employee benefits:				
- fees	184,500	42,500	184,500	15,000
- salaries, allowances and other benefits	357,217	534,112	8,000	-
	541,717	576,612	192,500	15,000
Defined contribution benefits	41,690	63,840	-	-
	583,407	640,452	192,500	15,000

#### (b) Other Key Management Personnel

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Short-term employee benefits	511,251	484,997	-	-
Defined contribution benefits	60,912	60,616	-	-
Total compensation for other key management personnel	572,163	545,613	-	-

The estimated monetary value of benefits-in-kind provided by the Group to the directors of the Group was RM7,000 (2023 - RM12,568).

### 32. RELATED PARTY DISCLOSURES

#### (a) Subsidiary

The subsidiary is disclosed in Note 6 to the financial statements.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 32. RELATED PARTY DISCLOSURES (CONT'D)

#### (b) Significant Related Party Transactions and Balances

Other than those disclosed elsewhere in the financial statements, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	2024	2023
	RM	RM
Advances to related parties	-	12,449
Repayment from related parties	-	(42,679)

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

### 33. OPERATING SEGMENTS

#### 33.1 BUSINESS SEGMENT AND GEOGRAPHICAL INFORMATION

The Group operates predominantly in one business segment in Malaysia. Accordingly, the information by business and geographical segments is not presented.

#### 33.2 MAJOR CUSTOMERS

The following are major customers with revenue equal to or more than 10% of the Group's total revenue:-

	Revenue		Segment
	2024	2023	
	RM	RM	
Customer A*	39,090,336	43,182,975	Malaysia
Customer B	19,308,908	18,350,600	Malaysia
Customer C	13,022,572	11,393,611	Malaysia
Customer D	23,541,011	30,016,201	Malaysia

\* The amount represents total revenue contributed by several companies within the same group.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 34. CAPITAL COMMITMENTS

	The Group	
	2024	2023
	RM	RM
Purchase of office equipment and furniture	-	816,000
Renovation	-	55,000
	-	871,000

### 35. FINANCIAL INSTRUMENTS

The activities of the Group and of the Company are exposed to a variety of market risk (including foreign currency risk, interest rate risk and equity price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

#### 35.1 FINANCIAL RISK MANAGEMENT POLICIES

The policies in respect of the major areas of treasury activity are as follows:-

##### (a) Market Risk

###### (i) Foreign Currency Risk

The Group and the Company do not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

###### (ii) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The exposure to interest rate risk arises mainly from long-term borrowings with variable rates. The Group and the Company adopt a policy of obtaining the most favourable interest rates available and by maintaining a balanced portfolio mix of fixed and floating rate borrowings.

The fixed rate receivables and borrowings of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period are disclosed in Notes 16, 17 and 23 to the financial statements respectively.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (a) Market Risk (Cont'd)

##### (ii) Interest Rate Risk (Cont'd)

##### *Interest Rate Risk Sensitivity Analysis*

The following table details the sensitivity analysis to a reasonably possible change in the interest rates at the end of the reporting period, with all other variables held constant:-

	The Group	
	2024	2023
	RM	RM
<b>Effects on Profit After Taxation</b>		
Increase of 100 basis points	(36,108)	(51,741)
Decrease of 100 basis points	36,108	51,741

There is no impact on the Group's equity.

The Company does not have any floating rate borrowings and hence, no sensitivity analysis is presented.

##### (iii) Equity Price Risk

The Group and the Company do not have any quoted investments and hence, are not exposed to equity price risk.

##### (b) Credit Risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group and the Company uses ageing analysis to monitor the credit quality of the trade receivables. Any receivables having significant balances past due or more than 60 days, which are deemed to have higher credit risk, are monitored individually.

##### (i) Credit Risk Concentration Profile

The Group's major concentration of credit risk relates to the amounts owing by 4 (2023 - 4) customers which constituted approximately 90% (2023 - 90%) of its trade receivables at the end of the reporting period.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 35. FINANCIAL INSTRUMENTS (CONT'D)

### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (ii) Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

##### (iii) Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an ongoing basis through periodic review of the ageing of the trade receivables. The Group and the Company closely monitor the trade receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery (i.e. the debtor does not have assets or sources of income to generate sufficient cash flows to repay the debt) despite the fact that they are still subject to enforcement activities.

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficulty of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty; or
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

#### Trade Receivables

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables.

#### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables (Cont'd)

##### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses (Cont'd)*

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.

##### *Allowance for Impairment Losses*

The information about the credit exposure and loss allowances recognised for trade receivables are as follows:-

The Group	Gross Amount RM	Individual Impairment RM	Carrying Amount RM
<b>2024</b>			
Current (not past due)	13,349,422	-	13,349,422
Past due:			
- less than 3 months	34,169	-	34,169
- more than 3 months	5,300	-	5,300
- more than 6 months	-	-	-
- more than 1 year	-	-	-
	13,388,891	-	13,388,891
<b>2023</b>			
Current (not past due)	9,030,092	-	9,030,092
Past due:			
- less than 3 months	3,649,812	-	3,649,812
- more than 3 months	-	-	-
- more than 6 months	-	-	-
- more than 1 year	-	-	-
	12,679,904	-	12,679,904

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 35. FINANCIAL INSTRUMENTS (CONT'D)

### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (b) Credit Risk (Cont'd)

##### (iii) Assessment of Impairment Losses (Cont'd)

##### Trade Receivables (Cont'd)

##### *Allowance for Impairment Losses (Cont'd)*

The Group believes that no impairment allowance is necessary in respect of its trade receivables because the probability of default by these receivables were negligible. They are good customers with no history of default.

##### Other Receivables

The Group and the Company apply the 3-stage general approach to measuring expected credit losses for its other receivables.

Under this approach, loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

In deriving the PD and LGD, the Group and the Company consider the receivable's past payment status and its financial condition as at the reporting date. The PD is adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the receivable to settle its debts.

##### *Allowance for Impairment Losses*

No expected credit loss is recognised on other receivables as they are negligible.

##### Fixed Deposits with Licensed Banks and Cash and Bank Balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

#### (c) Liquidity Risk

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practises prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (c) Liquidity Risk (Cont'd)

###### Maturity Analysis

The following table sets out the maturity profile of the financial liabilities at the end of the reporting period based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on the rates at the end of the reporting period):-

	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows		Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
			RM	RM			
<b>The Group</b>							
<b>2024</b>							
<u>Non-derivative Financial Liabilities</u>							
Term loans	3.50 - 5.82	651,050	655,743	655,743			
Bankers' acceptances	3.64 - 5.14	4,100,000	4,100,000	4,100,000			
Trade payables	-	12,418,837	12,418,837	12,418,837			
Other payables and accruals	-	5,145,595	5,145,595	5,145,595			
		22,315,482	22,320,175	22,320,175			

# NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

## 35. FINANCIAL INSTRUMENTS (CONT'D)

### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

#### (c) Liquidity Risk (Cont'd)

##### Maturity Analysis (Cont'd)

The Group	Contractual Interest Rate %	Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM	1 - 5 Years RM	Over 5 Years RM
<b>2023</b>						
<u>Non-derivative Financial Liabilities</u>						
Lease liabilities	4.16 - 5.71	60,844	66,312	22,116	44,196	-
Term loans	3.50 - 5.82	1,908,022	1,974,729	1,318,986	655,743	-
Bankers' acceptances	3.64 - 5.14	4,900,006	4,900,006	4,900,006	-	-
Trade payables	-	12,724,676	12,724,676	12,724,676	-	-
Other payables and accruals	-	5,472,806	5,472,806	5,472,806	-	-
		25,066,354	25,138,529	24,438,590	699,939	-

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.1 FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

##### (c) Liquidity Risk (Cont'd)

##### *Maturity Analysis (Cont'd)*

<b>The Company</b>	Contractual Interest Rate %	Contractual Carrying Amount RM	Contractual Undiscounted Cash Flows RM	Within 1 Year RM
<b>2024</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	-	110,806	110,806	110,806
Amount owing to a subsidiary	-	585,364	585,364	585,364
		696,170	696,170	696,170
<b>2023</b>				
<u>Non-derivative Financial Liabilities</u>				
Other payables and accruals	-	23,346	23,346	23,346
Amount owing to a related party	-	449,674	449,674	449,674
		473,020	473,020	473,020

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiary at the end of the reporting period.

#### 35.2 CAPITAL RISK MANAGEMENT

The Group and the Company manage their capital to ensure that entities within the Group will be able to maintain an optimal capital structure so as to support their businesses and maximise shareholder(s) value. To achieve this objective, the Group and the Company may make adjustments to the capital structure in view of changes in economic conditions, such as adjusting the amount of dividend payment, returning of capital to shareholders or issuing new shares.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.2 CAPITAL RISK MANAGEMENT (CONT'D)

The Group and the Company manage their capital based on debt-to-equity ratio that complies with debt covenants and regulatory, if any. The debt-to-equity ratio is calculated as net debt divided by total equity. The Group and the Company include within net debt, loans and borrowings from financial institutions less cash and cash equivalents. Capital includes equity attributable to the owners of the parent and non-controlling interest. The debt-to-equity ratio of the Group and of the Company at the end of the reporting period are as follows:-

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
Term loans	651,050	1,908,022	-	-
Bankers' acceptances	4,100,000	4,900,006	-	-
	4,751,050	6,808,028	-	-
Less:				
Cash and bank balances	(27,302,327)	(6,304,235)	(17,101,054)	(100,002)
Fixed deposits with licensed banks	(10,333,498)	(6,080,234)	-	-
Net cash	(32,884,775)	(5,576,441)	(17,101,054)	(100,002)
Total equity	55,295,626	32,626,818	48,298,686	(61,809)
Debt-to-equity ratio	*	*	*	*

\* Not applicable as the cash and cash equivalents of the Group and of the Company exceed their borrowings.

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

#### 35.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Financial Assets</b>				
<u>Amortised Cost</u>				
Trade receivables	13,388,891	12,679,904	-	-
Other receivables	119,386	193,525	29,616	-
Fixed deposits with licensed banks	10,333,498	6,304,235	-	-
Cash and bank balances	27,302,327	6,080,234	17,101,054	100,002
	51,144,102	25,257,898	17,130,670	100,002

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.3 CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONT'D)

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Financial Liabilities</b>				
<u>Amortised Cost</u>				
Trade payables	12,418,837	12,724,676	-	-
Other payables and accruals	5,145,595	5,472,806	110,806	23,346
Amount owing to a related party	-	-	-	449,674
Amount owing to a subsidiary	-	-	585,364	-
Bankers' acceptances	4,100,000	4,900,006	-	-
Term loans	651,050	1,908,022	-	-
	22,315,482	25,005,510	696,170	473,020

#### 35.4 GAINS OR LOSSES ARISING FROM FINANCIAL INSTRUMENTS

	The Group		The Company	
	2024	2023	2024	2023
	RM	RM	RM	RM
<b>Financial Assets</b>				
<u>Amortised Cost</u>				
Net gains recognised in profit or loss	397,484	445,255	68,671	-
<b>Financial Liabilities</b>				
<u>Amortised Cost</u>				
Net losses recognised in profit or loss	(279,512)	(348,638)	-	-

#### 35.5 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 35. FINANCIAL INSTRUMENTS (CONT'D)

#### 35.5 FAIR VALUE INFORMATION (CONT'D)

As the Group and the Company does not have any financial instruments carried at fair value, the following table sets out only the fair value profile of financial instruments that are not carried at fair value at the end of the reporting period:-

The Group	Fair Value of Financial Instruments not Carried at Fair Value			Total Fair Value RM	Carrying Amount RM
	Level 1 RM	Level 2 RM	Level 3 RM		
<b>2024</b>					
<u>Financial Liabilities</u>					
Term loans:-					
- fixed rate	-	544,925	-	544,925	544,925
- floating rate	-	106,125	-	106,125	106,125

#### **2023**

#### Financial Liabilities

Term loans:-					
- fixed rate	-	1,135,237	-	1,135,237	1,135,237
- floating rate	-	772,785	-	772,785	772,785

#### (a) Fair Value of Financial Instruments Not Carried at Fair Value

The fair values, which are for disclosure purposes, have been determined using the following basis:-

- (i) The fair value of the term loans that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.
- (ii) The fair value of term loans that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period. The interest rates used to discount the estimated cash flows are as follows:-

	The Group	
	2024 %	2023 %
Term loans (fixed rate)	3.50 - 4.00	3.50 - 4.00

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 36. SIGNIFICANT EVENT DURING THE FINANCIAL YEAR

#### INITIAL PUBLIC OFFERING (“IPO”)

In conjunction with, and as an integral part of the listing of the Company’s shares on the ACE Market of Bursa Malaysia Securities Berhad, the following listing scheme was undertaken by the Company:-

- (a) Public issue of 108,644,300 new ordinary shares in the Company at an issue price of RM0.20 per share (“IPO Price”) allocated in the following manner:-
  - (i) 20,119,400 new shares made available for application by the Malaysian Public;
  - (ii) 10,059,700 new shares made available for application by the eligible directors and employees of the Group; and
  - (iii) 78,465,200 new shares made available by way of private placement to selected investors.
- (b) Offer for sale of 38,226,600 existing shares by way of private placement to selected investors at the IPO Price.

The Company’s entire enlarged issued and paid-up share capital comprising 402,386,413 ordinary shares were listed on the ACE Market of Bursa Malaysia Securities Berhad on 8 October 2024.

## LIST OF PROPERTY

Location	Description	Tenure	Age of building	Land area / Built-up area	Net book value
Lot 2228, Jalan Kasawari, Kawasan Perusahaan Kebun Baru, Batu 9, Kg. Kebun Baru, 42500 Telok Panglima Garang, Kuala Langat, Selangor Darul Ehsan	A single storey factory cum double storey office / Manufacturing and office	Freehold	17 years	16,312.87 sq. m. / 9,823.98 sq. m.	Freehold land: RM13,421,500; Factory building: RM970,873

# ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

Issued Shares : 402,386,413 ordinary shares  
 Class of Shares : Ordinary Shares  
 Voting Rights : One vote per share  
 Number of Shareholders : 2,791

## ANALYSIS BY SHAREHOLDINGS

Distribution of shareholdings according to size:

Size of Holdings	No. of Shareholders/ Depositors	% of Shareholders/ Depositors	No. of Shares Held	% of Issued Capital
1 -99	0	0.00	0	0.00
100-1,000	250	8.96	135,800	0.03
1,001-10,000	1,362	48.80	7,652,500	1.90
10,001-100,000	939	33.64	35,016,200	8.70
100,001 to less than 5% of issued shares	239	8.56	135,754,360	33.74
5% and above of issued shares	1	0.04	223,827,553	55.63
<b>Total</b>	<b>2,791</b>	<b>100.00</b>	<b>402,386,413</b>	<b>100.00</b>

## SUBSTANTIAL SHAREHOLDERS

Name of Shareholder	<----- Direct ----->		<----- Indirect ----->	
	No. of Shares Held	% of Issued Capital	No. of Shares Held	% of Issued Capital
Datin See Hui Pvng	223,827,553	55.63	14,732,102 <sup>(1)</sup>	3.66
See Hui Shi	14,732,102	3.66	223,827,553 <sup>(2)</sup>	55.63

Notes:

<sup>(1)</sup> Deemed interested of 14,732,102 by virtue of the shareholding of her sister, See Hui Shi, pursuant to Section 8 of the Act.

<sup>(2)</sup> Deemed interested of 223,827,553 by virtue of the shareholding of her sister, Datin See Hui Pvng, pursuant to Section 8 of the Act.

## SHAREHOLDINGS OF DIRECTORS AND CHIEF EXECUTIVE

Name	<----- Direct ----->		<----- Indirect ----->	
	No. of Shares Held	% of Issued Capital	No. of Shares Held	% of Issued Capital
<b>Directors</b>				
Datuk Noripah Binti Kamso	300,000	0.08	-	0.00
Datin See Hui Pvng	223,827,553	55.63	14,732,102 <sup>(1)</sup>	3.66
Hideki Nomura	381,300	0.10	-	0.00
Dato' Tang Ngat Ngoh	300,000	0.08	-	0.00
Datuk Noor Azian Binti Shaari	300,000	0.08	-	0.00
Chan Yan San	50,000	0.01	-	0.00
<b>Finance Controller</b>				
Eng Shu Ling	950,000	0.24	-	0.00

Notes:

<sup>(1)</sup> Deemed interested of 14,732,102 by virtue of the shareholding of her sister, See Hui Shi, pursuant to Section 8 of the Act.

## ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

### THIRTY (30) LARGEST SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	% of Issued Capital
1.	See Hui Pvng	223,827,553	55.63
2.	Tiu Kuang Hong	17,000,858	4.23
3.	See Hui Shi	14,732,102	3.66
4.	Maybank Nominees (Tempatan) Sdn Bhd Exempt an for Tradeview Capital Sdn. Bhd	4,004,000	1.00
5.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Widuri Business Management Sdn Bhd	3,829,100	0.95
6.	Low Joon Pin	3,155,000	0.78
7.	Ng Choon Ngee	2,550,000	0.63
8.	Ng Chin Leong	2,000,000	0.50
9.	RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Ban Keong	2,000,000	0.50
10.	Ting Ata @ Ting Teong Cheow	2,000,000	0.50
11.	Tan Pu Hooi	1,999,000	0.50
12.	Shaharuddin Bin Warno @ Rahmad	1,750,000	0.44
13.	Cartaban Nominees (Tempatan) Sdn Bhd RHB Trustees Berhad for Tradeview Sustainability Fund	1,667,200	0.41
14.	Lim Hang Chern	1,500,000	0.37
15.	Yew Chong Hooi	1,500,000	0.37
16.	Sia Boon Huat	1,468,800	0.37
17.	Kenanga Nominees (Tempatan) Sdn Bhd Rakuten Trade Sdn Bhd for Siaw Swee Heng	1,440,000	0.36
18.	Universal Trustee (Malaysia) Berhad KAF Tactical Fund	1,329,500	0.33
19.	Azrudin Bin Badruddin	1,250,000	0.31
20.	Chew Jia Yiing	1,250,000	0.31
21.	Formula Naga Sdn Bhd	1,250,000	0.31
22.	Lau Chee Chin @ Lau Cheung Chang	1,250,000	0.31
23.	Loh Peng Chye	1,250,000	0.31
24.	Soh Siew Lee	1,250,000	0.31
25.	Moomoo Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ong Tian Kee	1,200,000	0.30
26.	Oon Pey Yang	1,150,000	0.29
27.	Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Wong Ai Ming (E-KLC)	1,148,000	0.29
28.	Tan Yee Choon	1,120,100	0.28
29.	Tang Chun Sing	1,100,000	0.27
30.	Lin Yeen Lum	990,000	0.25
	<b>Total</b>	<b>301,961,213</b>	<b>75.07</b>

# NOTICE OF FIRST ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the First Annual General Meeting (“1<sup>st</sup> AGM”) of KHPT Holdings Berhad (“KHPT” or “the Company”) will be held at The Synergy, Level LG02, The Westin Kuala Lumpur on Thursday, 19 June 2025 at 10 a.m. for the following purposes:-

## AGENDA

### As Ordinary Business

- |    |  |   |
|----|--|---|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Reports of the Directors and Auditors thereon.   | <b>Please refer to Note 1</b>   |
| 2. | To approve the payment of Directors’ Fees payable to the Directors of the Company and its subsidiary up to an amount of RM270,000 from 1 January 2025 and up to the date of the next Annual General Meeting of the Company.                                | <b>Ordinary Resolution 1<br/>Please refer to<br/>Explanatory Note 2</b> |
| 3. | To approve the payment of Directors’ benefits (excluding Directors’ Fees) payable to the Directors of the Company and its subsidiary up to an amount of RM16,000 from 1 January 2025 and up to the date of the next Annual General Meeting of the Company. | <b>Ordinary Resolution 2<br/>Please refer to<br/>Explanatory Note 2</b> |
| 4. | To re-elect the following Directors who retire in accordance with Clause 102 of the Constitution of the Company:   |   |
|    | (a) Datuk Noripah Binti Kamsu  | <b>Ordinary Resolution 3<br/>Please refer to<br/>Explanatory Note 3</b> |
|    | (b) Datin See Hui Pvnng  | <b>Ordinary Resolution 4<br/>Please refer to<br/>Explanatory Note 3</b> |
|    | (c) Mr Hideki Nomura   | <b>Ordinary Resolution 5<br/>Please refer to<br/>Explanatory Note 3</b> |
|    | (d) Datuk Noor Azian Binti Shaari  | <b>Ordinary Resolution 6<br/>Please refer to<br/>Explanatory Note 3</b> |
|    | (e) Dato’ Tang Ngat Ngoh   | <b>Ordinary Resolution 7<br/>Please refer to<br/>Explanatory Note 3</b> |
|    | (f) Mr Chan Yan San  | <b>Ordinary Resolution 8<br/>Please refer to<br/>Explanatory Note 3</b> |
| 5. | To re-appoint Messrs Crowe Malaysia PLT as auditors of the Company and to authorise the Directors to fix their remuneration.   | <b>Ordinary Resolution 9</b>  |

# NOTICE OF FIRST ANNUAL GENERAL MEETING

## As Special Business

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

6. **Authority under Sections 75 and 76 of the Companies Act 2016 (“the Act”) for the Directors to allot and issue shares**

“**THAT** pursuant to Sections 75 & 76 of the Act, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next AGM and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit, provided that the aggregate number of shares to be issued does not exceed ten per centum (10%) of the total number of issued shares of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issuance.”

**Ordinary Resolution 10**  
**Please refer to**  
**Explanatory Note 4**

**THAT** pursuant to Section 85 of the Act, read together with Clause 12 of the Constitution of the Company, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued of the Company shares arising from issuance of new shares pursuant to this Mandate.”

**THAT** the new shares to be issued shall, upon allotment and issuance, rank equally in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new shares.”

7. **Any Other Business**

To transact any other business that may be transacted at the 1<sup>st</sup> AGM of which due notice shall have been given in accordance with the Act and the Constitution of the Company.

BY ORDER OF THE BOARD

TAI YIT CHAN (MAICSA7009143) (SSM PC No.: 202008001023)  
TAN AI NING (MAICSA7015852) (SSM PC No.: 202008000067)  
COMPANY SECRETARIES

SELANGOR DARUL EHSAN  
30 April 2025

## Explanatory Notes

(1) **Audited Financial Statements**

This Agenda item is meant for discussion only as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders. Hence, this item is not put forward for voting.

(2) **Ordinary Resolutions 1 to 2 – Directors’ fees and benefits payable to Directors**

Payment of Directors’ fees and benefits payable under Section 230(1) of the Act provides amongst others, that the Directors’ fees and any benefits payable to the Directors of the Company and its subsidiary shall be approved at a general meeting.

## NOTICE OF FIRST ANNUAL GENERAL MEETING

In determining the estimated Directors' fees and benefits payable to the Directors of the Company and its subsidiary, the Board has considered various factors including the number of scheduled meetings for the Board and Board Committees, current Board size and provisional sum as a contingency for future appointment of Directors on the Board.

Details of the Directors' fees and benefits payable for the financial period ended 31 December 2024 is disclosed in the Corporate Governance Report 2024.

### (3) Ordinary Resolutions 3 to 8 – Re-election of Directors

The profiles of the Directors who are standing for re-election as per Ordinary Resolutions 3,4,5,6,7 and 8 are set out in the Board of Directors' profile of the Annual Report 2024.

The performance, contribution and effectiveness of the retiring Directors, namely Datuk Noripah Binti Kamso, Datin See Hui Pving, Mr Hideki Nomura, Datuk Noor Azian Binti Shaari, Dato' Tang Ngat Ngoh and Mr Chan Yan San (collectively "**Retiring Directors**") have been assessed by the Nomination and Remuneration Committee ("**NRC**"). In addition, the NRC has also conducted an assessment on the fitness and propriety of the Retiring Directors including the review of their fit and proper declarations and results of their background checks in accordance with the Directors' Fit & Proper Policy. The Retiring Directors have abstained from deliberations and decision on their own eligibility and suitability to stand for re-election.

Based on the recommendation of NRC, the Board endorsed the same, having been satisfied with performance as well as fitness and propriety of the Retiring Directors.

### (4) Ordinary Resolution 10 – Authority pursuant to Sections 75 & 76 of the Act for the Directors to Allot and Issue Shares

The Ordinary Resolution 10 proposed under item 6 of the Agenda is to obtain a general mandate for issuance of shares by the Company under Section 76 of the Act. The Ordinary Resolution 10, if passed, will provide flexibility for the Company and empower the Directors to allot and issue new shares in the Company up to an amount not exceeding in total ten per centum (10%) of the total number of issued shares of the Company for purpose of working capital or provide funding for future investments or undertakings. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM or at the expiry of the period within the next AGM is required to be held after the approval was given.

At this juncture, there is no decision to issue new shares. If there should be a decision to issue new shares after the general mandate is obtained, the Company will make an announcement in respect thereof.

#### NOTES:

- (1) Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of AGM will be put to vote by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
- (2) A member entitled to attend and vote at the 1<sup>st</sup> AGM may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting shall have the same rights as the member to speak at the meeting.
- (3) A member shall be entitled to appoint not more than 2 proxies to participate, speak and vote at the meeting. Where a member appoints 2 proxies, the appointment shall not be valid unless the member specifies the proportion of his shareholding to be represented by each proxy.

## NOTICE OF FIRST ANNUAL GENERAL MEETING

- (4) Where a member is an Exempt Authorised Nominee which holds shares in the Company for multiple beneficial owners in one securities account (“omnibus account”) as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- (5) The proxy form shall be in writing, executed by or on behalf of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- (6) Any authority pursuant to which such an appointment is made by a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Company’s Share Registrar, Boardroom Share Registrars Sdn Bhd of 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time for holding the 1<sup>st</sup> AGM or adjourned 1<sup>st</sup> AGM at which the person named in the proxy form proposes to vote, and in default the proxy form shall not be treated as valid.
- (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 AGM or Adjourned AGM at which the person named in the appointment proposes to vote:

#### In hard copy form

In the case of an appointment made in hard copy form, the original proxy form must be deposited with the Share Registrar’s office, Boardroom Share Registrars Sdn Bhd (“Boardroom”) of the Company at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

#### By electronic means

Alternatively, the instrument appointing the proxy may also be lodged electronically via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>.

- (8) For the purpose of determining who shall be entitled to attend this meeting, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to make available a Record of Depositors as at 12 June 2025 and only members whose names appear on such Record of Depositors shall be entitled to attend, speak and vote at this meeting and entitled to appoint proxy or proxies.

#### **Personal data privacy:**

*By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.*

No. of shares held	
CDS Account No.	

 I/We\* \_\_\_\_\_ NRIC No./Passport No./Company No.\* \_\_\_\_\_  
 (Full name of shareholder, in capital letters)

 of \_\_\_\_\_  
 (full address)

telephone no. \_\_\_\_\_ and email address \_\_\_\_\_

being a member/members\* of KHPT HOLDINGS BERHAD hereby appoint(s):-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

and/or\*

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			
Email Address			
Telephone No.			

 or failing him/her\*, the Chairman of the Meeting as my/our\* proxy to vote for me/us\* on my/our\* behalf at the First Annual General Meeting ("1<sup>st</sup> AGM") of the Company to be held at The Synergy, Level LG02, The Westin Kuala Lumpur on Thursday, 19 June 2025 at 10 a.m. or at any adjournment thereof in respect of my/our shareholding in the manner indicated below:-

No.	RESOLUTION		FOR	AGAINST
1.	To approve the payment of Directors' Fees payable to the Directors of the Company and its subsidiary up to an amount of RM270,000 from 1 January 2025 and up to the date of the next Annual General Meeting of the Company.	Ordinary Resolutions 1		
2.	To approve the payment of Directors' benefits (excluding Directors' Fees) payable to the Directors of the Company and its subsidiary up to an amount of RM16,000 from 1 January 2025 and up to the date of the next Annual General Meeting of the Company.	Ordinary Resolutions 2		
3.	To re-elect Datuk Noripah Binti Kamso as Director.	Ordinary Resolutions 3		
4.	To re-elect Datin See Hui Pving as Director.	Ordinary Resolutions 4		
5.	To re-elect Mr Hideki Nomura as Director.	Ordinary Resolutions 5		
6.	To re-elect Datuk Noor Azian Binti Shaari as Director.	Ordinary Resolutions 6		
7.	To re-elect Dato' Tang Ngat Ngoh as Director.	Ordinary Resolutions 7		
8.	To re-elect Mr Chan Yan San as Director.	Ordinary Resolutions 8		
9.	To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company and to authorise the Directors to fix their remuneration.	Ordinary Resolutions 9		
10.	To approve the authority pursuant to Sections 75 and 76 of the Companies Act 2016 for the Directors to allot and issue shares.	Ordinary Resolutions 10		

\*Strike out whichever is not desired.

[Please indicate with an "X" in the spaces provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific directions, your proxy will vote or abstain as he/she thinks fit.]

Signature/Common Seal of Member(s) \_\_\_\_\_

Number of shares held: \_\_\_\_\_

Date: \_\_\_\_\_

**Notes:**

- Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Securities, all the resolutions set out in the Notice of AGM will be put to vote by way of poll. Poll Administrator and Independent Scrutineers will be appointed to conduct the polling process and verify the results of the poll respectively.
- A member entitled to attend and vote at the 1<sup>st</sup> AGM may appoint another person as his proxy to attend and vote in his stead. A proxy may but need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting shall have the same rights as the member to speak at the meeting.
- A member shall be entitled to appoint not more than 2 proxies to participate, speak and vote at the meeting. Where a member appoints 2 proxies, the appointment shall not be valid unless the member specifies the proportion of his shareholding to be represented by each proxy.
- Where a member is an Exempt Authorised Nominee which holds shares in the Company for multiple beneficial owners in one securities account ("omnibus account") as defined under the Securities Industry (Central Depositories) Act, 1991, there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- The proxy form shall be in writing, executed by or on behalf of the appointor or his attorney duly authorised in writing or, if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
- Any authority pursuant to which such an appointment is made by a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office of the Company's Share Registrar, Boardroom Share Registrars Sdn Bhd of 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia not less than 48 hours before the time for holding the 1<sup>st</sup> AGM or adjourned 1<sup>st</sup> AGM at which the person named in the proxy form proposes to vote, and in default the proxy form shall not be treated as valid.

- 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 AGM or Adjourned AGM at which the person named in the appointment proposes to vote:

In hard copy form

 In the case of an appointment made in hard copy form, the original proxy form must be deposited with the Share Registrar's office, Boardroom Share Registrars Sdn Bhd ("Boardroom") of the Company at 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia.

By electronic means

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**Personal data privacy:**

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.



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**AFFIX  
STAMP**

The Share Registrar  
**KHPT HOLDINGS BERHAD**  
**[Registration No.: 201901005770 (1315097-M)]**  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13  
46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

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<https://khpt.com.my>



**KHPT HOLDINGS BERHAD**

Registration No. 201901005770 (1315097-M)

Lot 2228, Jalan Kasawari, Kawasan Perusahaan Kebun Baru, Batu 9,  
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