

CORPORATE GOVERNANCE REPORT

STOCK CODE : 0322
COMPANY NAME : KHPT HOLDINGS BERHAD
FINANCIAL YEAR : December 31, 2024

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

Application	: Applied
Explanation on application of the practice	<p>KHPT Holdings Berhad ("KHPT" or "Company") is collectively headed by an experienced and effective Board of Directors ("the Board") which is responsible for the stewardship and business affairs of the Group.</p> <p>The Board is guided by its Board Charter in discharging its fiduciary duties and responsibilities. The Board Charter has clearly set out a structured guideline that includes, but not limited to the following:-</p> <ul style="list-style-type: none">• the composition of the Board;• the roles and responsibilities of Board including formal schedule of matters reserved for the Board's Decision.• delegation of its authority to various Board Committees; and• Board practices pertaining to meetings, code of conduct, and Whistle-Blowing Policy <p>To ensure effective discharge of its stewardship role, the Board has established two (2) Board Committees, namely Audit and Risk Management Committee ("ARMC") and Nomination and Remuneration Committee ("NRC"), to support the Board with oversight functions in selected responsibilities areas. The Board Committees are guided by their respective Terms of Reference ("TOR") approved by the Board. The Board Committees report to the Board on matters considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.</p> <p>The Board Charter and TOR for all Board Committees are published on the website of the Company https://khpt.com.my.</p>

Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

Application	:	Applied
Explanation on application of the practice	:	<p>Datuk Noripah Binti Kamso, an Independent Non-Executive Chairperson, is the Chairperson of the Board. Her profile can be viewed on page 10 of the Annual Report 2024 of the Company.</p> <p>She plays a vital role in leading the Board in oversight of management, representing the Board to shareholders and chairing general meeting of shareholders.</p> <p>The responsibilities of the Chairperson of our Board include, but are not limited to, the following:-</p> <ul style="list-style-type: none">a. Leadership to the Board in setting the direction and policies of the Group;b. Setting the Board meetings agenda and ensuring that Board member receive complete and accurate information in a timely manner;c. Encouraging active participation and allowing dissenting views to be freely expressed;d. Leading the Board in adoption and implementation of good corporate governance practices in the Group; ande. Advising the Board of good investor relation with effective communication on the Group's performance and strategic plans <p>The detailed roles and responsibilities of the Chairperson of the Board are stated in the Board Charter, which is published on the website of the Company at https://khpt.com.my and is subject to review once every three (3) years or as when necessary.</p> <p>The 2024 Board annual evaluation results demonstrated the Directors' trust in and belief that the Chairperson has displayed good leadership and effective in establishing excellent board dynamics which contributed to the Board working well together as a team.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.3

The positions of Chairman and CEO are held by different individuals.

Application	:	Applied
Explanation on application of the practice	:	<p>The roles of the Chairperson and the Managing Director ("MD") are distinct and held by different individuals, to ensure a balance of power and authority so that no one individual has unfettered powers of decision making.</p> <p>The Chairperson of the Company is Datuk Noripah Binti Kamso, an Independent Non-Executive Chairperson, whilst the MD is Datin See Hui Pvnng.</p> <p>The Chairperson is responsible for leading the Board in oversight of Management, representing the Board to shareholders and chairing general meetings of shareholders, whilst the MD is to ensure the implementation of the Group's strategic plan and policies established by the Board as well as to manage the daily conduct of the business and affairs its smooth operations.</p> <p>The details of the roles and responsibilities of the Chairperson and the MD are specified in the Board Charter, which is available on the website of the Company at https://khpt.com.my and is subject to review once every three (3) years or as and when necessary.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>		
Application	:	Applied
Explanation on application of the practice	:	The Chairperson of our Board is Datuk Noripah Binti Kamso, an Independent Non-Executive Chairman, is not a member of any of the Board Committees and does not participate in any of the Board Committees' meeting by way of invitation.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

Application	:	Applied
Explanation on application of the practice	:	<p>Presently, the Board is supported by two (2) qualified and competent Company Secretaries, namely Tai Yit Chan (MAICSA 7009143 and SSM Practicing Certificate No. 202008001023) and Ms Tan Ai Ning (MAICSA 7015852 and SSM Practicing Certificate No. 202008000067). Both Company Secretaries have the requisite credentials and are qualified to act as Company Secretary under Section 235(2) of the Companies Act 2016 and undertake continuous professional development.</p> <p>The Company Secretaries advise our Board on its roles and responsibilities and keep our Board updated on matters relating to new statutory and regulatory requirements and corporate governance and promptly disseminate communications received from the relevant regulatory / governmental authorities.</p> <p>The Company Secretaries are responsible for ensuring the Board and Board Committee meetings procedures are in place, including disseminating complete and accurate meeting materials in a timely manner to allow the Board members to have sufficient time to review the relevant documents prior to meetings. The Company Secretaries also facilitate the communication of key decisions and policies between the Board, Board Committees and Management.</p> <p>The directors have unrestricted access to the advice and services of the Company Secretaries to enable them to discharge their duties effectively.</p> <p>The appointment and removal of the Company Secretaries must be approved by the Board.</p> <p>The roles and responsibilities of Company Secretaries are set out in the Board Charter, which is accessible on the Company's website at https://khpt.com.my.</p>
Explanation for departure	:	

Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.

Measure	:		
Timeframe	:		

Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board members have full and unrestricted access to all information within the Group. The Notice of the Board Meeting is served at least seven (7) days prior to the Board Meeting. Relevant Board papers were usually circulated to all Directors at least five (5) business days prior to the Board Meeting so that the Board has sufficient time to deliberate on the issues to be raised at the meeting so as to discharge their duties diligently.</p> <p>In addition to the provision of meeting materials, Directors may seek independent professional advice if necessary, at the Company's expenses in the furtherance of their duties.</p> <p>The Board papers which include the agendas and reports cover amongst others, areas of strategic, financial, operational and regulatory compliance matters that require the Board's approval.</p> <p>All proceedings of the Board meetings are duly minuted and circulated to all Directors for their perusal prior to confirmation of the minutes by the Chairman as a correct record. If one or more Directors request for their opinion to be noted, the Company Secretaries shall comply with such request.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board Charter adopted by the Board serves as a source of reference and primary guide to the Board as it sets out the role, functions, composition, operation and processes of the Board. There is a schedule of matters specifically reserved for the Board's decision set out in the Board Charter.</p> <p>The purpose of the Board Charter is to promote high standards of corporate governance and is designed to provide guidance and clarity for Directors and Management with regard to the role of the Board and its committees.</p> <p>The Board Charter is subject to review by the Board once every three (3) years or as and when necessary to ensure it complies with all applicable laws, rules and regulations of the regulators and remains consistent with the policies and procedures of the Board. The Board Charter is accessible on the website of the Company at https://khpt.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has adopted a Code of Conduct and Ethics ("Code") for its Directors, Management and all employees of the Group ("Personnel") in discharging their duties and responsibilities. The Code is established to serve as a guidance to Personnel to recognise and deal with ethical issues and promote the corporate culture which engenders ethical conduct that permeates throughout the Group.</p> <p>The Code includes, inter alia, matters relating to conflicts of interest, proper use of Group's assets and properties and prohibited activities or misconduct.</p> <p>The Board had also established the Anti-Bribery and Anti-Corruption Policy and Procedures and the Whistleblowing Policy which aim at promoting good business practices, ethical behaviour and healthy corporate culture within the Company.</p> <p>The Board will review and update the Code from time to time to ensure that it remains relevant and effective. The Code is available at the website of the Company at https://khpt.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company has formalised a Whistleblowing Policy (“Whistleblowing Policy”) which is available on the website of the Company at https://khpt.com.my.</p> <p>A member or the Chairman of the ARMC, Mr Chan Yan San was identified as the persons to whom the whistleblowing reports may be conveyed.</p> <p>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 them who report such allegations.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

Application	:	Applied
Explanation on application of the practice	:	<p>One of the key responsibilities of the Board under its Board Charter is to review and adopt strategic plan and direction of the Group including restructuring or streamlining corporate business and strategic alliances to support the long-term value creation by taking into account the economic, social and governance (“ESG”) considerations underpinning sustainability and to ensure that such strategic plans and the risk, performance and sustainability thereon are effectively integrated and appropriately balanced.</p> <p>Therefore, the Board takes into account sustainability considerations when exercising its duties including among others the development and implementation of Company strategies, business plans, major plans of action and risk management.</p> <p>Sustainability-related activities undertaken and targets set out by the Company had been disclosed in the Sustainability Statement of the Company's Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.2

The board ensures that the company's sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board, via its disclosures in its Sustainability Statement in Annual Report 2024, strives to keep external stakeholders informed on the Group's sustainability strategies, targets, priorities as well as performance against these targets.</p> <p>The Sustainability Statement in the Annual Report 2024 of the Company is available at the website of the Company at https://khpt.com.my.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

Application	:	Applied
Explanation on application of the practice	:	<p>All the Board members have attended the Mandatory Accreditation Programme prior to the listing of the Company on 8 October 2024.</p> <p>The Board is committed to staying abreast with sustainability issues associated with the ever-evolving operating environment which is relevant to its business.</p> <p>This may include, but is not limited to internal and external training and development programmes to be provided for the Board, as well as reading materials from international guidance and standards released.</p> <p>The Company Secretaries will also update the Board on the changes of the Listing Requirements upon receiving the circulars from Bursa Malaysia Securities Berhad ("Bursa Securities"), which are relevant to the Company and provide advice on corporate disclosures and compliances which includes understanding of sustainability issues.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board takes cognizant of the importance of embedding ESG considerations and sustainability measure into the Board's and Senior Management's performance to ensure accountability against the sustainability targets.</p> <p>During the financial year under review, the Nomination and Remuneration Committee ("NRC") has completed the Board's evaluation questionnaire relating to ESG and sustainability. However, the performance evaluations of Senior Management did not cover sustainability performance evaluation.</p> <p>Once the Company has set the sustainability targets as well as measured the performance against these targets, the sustainability assessment of the Senior Management will be included as part of their Key Performance Indicators (KPI).</p> <p>As addressing material sustainability risks and opportunities are the responsibilities of the Board and Senior Management, the performance evaluation of the Board and Senior Management takes into consideration of how well the Board and Senior Management have performed their respective roles, including where applicable, progress against the achievement of sustainability targets and promotes accountability and identify issues that may require intervention by the Board and/or Senior Management.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

Application	: Applied
Explanation on application of the practice	<p>The NRC is entrusted by the Board to annually review the required mix of skills, knowledge, qualification, experience and other requisite qualities of Director through the annual assessment of the effectiveness of the Board as a whole, its Committee and the contribution of each individual Director.</p> <p>The NRC is guided by its TOR which, inter alia, sets out the objectives, composition, duties and responsibilities, authority as well as the internal procedural matters for the NRC and a copy of the TOR is available on the Company's website at https://khpt.com.my.</p> <p>For the FYE 31 December 2024, the NRC was satisfied that the results of the annual assessment demonstrated that the Board:-</p> <ul style="list-style-type: none">i) has the right size, balance and composition for it to operate in an effective manner and is well-balanced with an appropriate number of Independent Non-Executive Directors;ii) has discharged their responsibilities in a commendable manner and performed competently;iii) possessed the desired character, experience, competency, dynamic and satisfactorily demonstrated their time commitment and integrity in discharging their duties and responsibilities; andiv) has a balanced mix of skills, knowledge and experience to meet the needs of the Company. <p>In appointing or re-appointing a Board member, the Board considers the current composition of the Board, the tenure of each Director, review its composition and will evaluate the need to bring new skills and perspective to the Boardroom as and when necessary.</p> <p>The Board had formalised and adopted the Directors' Fit and Proper Policy which serves as a guide to the NRC and the Board in conducting assessment on potential candidates for appointment as Directors as well as existing Directors who are seeking for re-election and re-appointment.</p>

	Fit and proper assessment had been conducted on the re-election of all the Directors at the forthcoming AGM.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.2

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

Application	:	Applied
Explanation on application of the practice	:	Presently, the Board has six (6) members, comprising of one (1) Independent Non-Executive Chairperson, three (3) Independent Non-Executive Directors, one (1) Managing Director and one (1) Executive Director/Chief Business Development Officer. The Independent Directors constitute majority of the Board. The Board composition also complies with the ACE Market Listing Requirement (“ AMLR ”) of Bursa Securities that require a minimum of two (2) Directors or one-third (1/3) of the Board, whichever is higher, to be Independent Directors. This also fulfils Practice 5.2 to have a board that comprises a majority of independent directors.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.3

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

Application	:	Applied	
Explanation on application of the practice	:	None of the Independent Directors has served the Board exceeding a cumulative period of nine (9) years.	
Explanation for departure	:		
Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

Application	: Applied
Explanation on application of the practice	<p>The Board, assisted by the NRC, is committed to ensuring that the Board and Senior Management are sufficiently diverse and appropriately balanced.</p> <p>In making recommendation to the Board on the suitable candidate of Directors, the NRC shall assess and consider the candidates':</p> <ul style="list-style-type: none">• skills, knowledge, experience and diversity• commitment (including time commitment) to effectively discharge his/her role as a Director (including, among others, attendance at Board or Committee meetings, participation in continuing training programmes, after consideration of the candidate's directorships in other listed issuers, public companies and corporations incorporated and listed outside Malaysia)• professionalism• merits and against objective criteria with due regard for diversity in gender, age, experience, skills and cultural background• In case of candidates for the position of Independent Non-Executive Directors, NRC shall also evaluate the candidates' ability to discharge such responsibilities/functions as are expected from Independent Non-Executive Directors; and• In considering independence, it is necessary to focus not only a Director's background and current activities qualify him or her as Independent but also whether the Director can act independently of management <p>An annual assessment will be carried out annually to review the contribution of each Director. A summary of the assessment will be presented to the NRC for consideration and to develop recommendations and/or action plan where necessary or desirable.</p> <p>The Board concluded that the current Directors possess a diverse mix of skills matrix, knowledge, experience and age to facilitate the optimal decision-making needed to effectively govern the</p>

	<p>Group. The Chairperson possesses the leadership to safeguard the stakeholders' interest and ensure the constructive development of the Group.</p> <p>A formal process was established for the NRC to identify, evaluate and recommend to the Board the individuals who are qualified to fill vacancies or newly created positions on the Board and recommending to the Board the persons it should nominate for election or re-election as directors at the AGM. When considering the re-nomination of Directors for re-election, the NRC has assessed the fitness and propriety of Directors to ensure they have the character, experience, integrity, competence and commitment of time to effectively discharge their roles and responsibilities.</p> <p>The Board devotes sufficient time to serve the Board effectively and the current composition of the Board does not consist of any active politician i.e. a Member of Parliament, State Assemblyman or holds a position at the Supreme Council or division level in a political party.</p> <p>The Board has adopted a Gender Diversity Policy. The Policy will be reviewed from time to time or as and when required and is published on the website of the Company at https://khpt.com.my.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board through the NRC is responsible for overseeing the screening and recruitment process and for making recommendations for new Director candidates. The nomination process for the appointment of Directors and the criteria used by NRC in the selection process are provided in the TOR of NRC.</p> <p>The Board may utilise a variety of independent sources including directors' registry, industry and professional association, open advertisement and independent search firm to identify suitably qualified candidates, if required.</p> <p>The current process with regards to the appointment of new Directors to the Board is based on the recommendation of NRC. The Board relies on the existing network and referrals from existing Directors, Key Senior Management, major shareholders and advisers as primary means to source for new Directors.</p> <p>The Board is mindful on this Practice and may consider utilising the independent sources to identify suitable qualified candidate, when necessary.</p> <p>The NRC will explain why other sources were not used if the selection of candidate(s) was solely based on recommendation made by the existing Board members, Management or major shareholder, when necessary.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

Application	:	Applied
Explanation on application of the practice	:	<p>The details of Directors' age, gender, interest, qualification, position, working experience and occupation are set out in the Board of directors' profile section in the Annual Report 2024. At the forthcoming 1st AGM, all the Directors are subject to retirement and re-election in accordance with the Company's Constitution.</p> <p>The performance of retiring directors had been assessed by the NRC and the Board before recommendation is made to the shareholders for consideration.</p> <p>The NRC had also taken into consideration the outcome of the Directors' self-assessment before making recommendations to the Board who would be seeking for re-election at the forthcoming 1st AGM, and whether the Directors are 'fit and proper' under the Fit and Proper Policy after receiving submissions from the aforesaid retiring Directors.</p> <p>The NRC took reasonable steps to conduct checks as part of the assessment process on whether the directors have the (i) Character and Integrity; (ii) Experience and Competence; and (iii) Time Commitment to do the job in accordance with the Fit & Proper Policy.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

Application	:	Applied	
Explanation on application of the practice	:	The NRC is chaired by Dato’ Tang Ngat Ngoh, an Independent Non-Executive Director.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.9

The board comprises at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	Currently, the Board comprises four (4) female Directors, namely Datuk Noripah Binti Kamso, Datin See Hui Pvng, Dato’ Tang Ngat Ngoh and Datuk Noor Azian Binti Shaari equivalent to 66.7% women representation to the Board.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Company has formalised the Diversity Equity and inclusion Policy which outlines its approach in achieving and maintaining diversity (including gender diversity) on its Board of Directors and Senior Management positions.</p> <p>The disclosure of the Company's policy on diversity equity for the Board and Senior Management could be found in the Corporate Governance Overview Statement of the Company's Annual Report 2024.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has adopted a formal and objective annual evaluation of the Board, Board Committees and Directors' performance. The assessment took into account the contribution and performance of the Directors in relation to their competencies, time commitment, experience in meeting the needs of the Company.</p> <p>The Board, through the NRC, will conduct an annual self-evaluation and/or peer evaluation on its effectiveness as a whole, each individual Directors and the different Committees established by the Board.</p> <p>The Directors' Fit and Proper Policy also provides guidance to the NRC and the Board in their review and assessment of potential candidates for appointment as Directors as well as Directors who are seeking for re-election and re-appointment at the forthcoming AGM of the Company, with a view to meeting current and future requirements of the Group.</p> <p>For the FYE 31 December 2024, based on the recent assessment, the NRC was satisfied that the results of the annual assessment demonstrated that the Board and its committees:-</p> <ul style="list-style-type: none">i) have the right size, balance and composition for it to operate in an effective manner and is well-balanced with an appropriate number of Independent Non-Executive Directors and the Directors have discharged their responsibilities in a commendable manner and performed competently;ii) possessed the desired character, experience, competency, dynamic and satisfactorily demonstrated their time commitment and integrity in discharging their duties and responsibilities; andiii) have a balanced mix of skills, knowledge and experience to meet the needs of the Company.

	All Independent Directors have complied with the criteria of “independence” as set out in the AMLR as well as the prescribed criterion under the MCCG 2021.	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company the Board, through the NRC, is in the midst of establishing the Directors and Senior Management remuneration policies of the Group.</p> <p>Nevertheless, the NRC had reviewed the remuneration packages of the Chairperson, Managing Director, Executive Director, Non-Executive Directors, taking into account of individual performance, time commitment, experience, level of responsibilities, as well as the performance of the Group and market conditions for the financial year ended 31 December 2024 and recommend the same for Board's approval.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

Application	:	Applied
Explanation on application of the practice	:	<p>The Remuneration Committee is combined with the Nomination Committee i.e the NRC comprises three (3) members, all of whom are Independent Non-Executive Directors.</p> <p>The duties and responsibilities of the NRC are set out in the NRC's TOR, which is published on the Company's website at https://khpt.com.my.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.1

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

Application	:	Applied
Explanation on application of the practice	:	The disclosure on named basis for the remuneration of individual Director and breakdown of individual Director's remuneration such as fees, salary, bonus, benefits in-kind and other emoluments is set out in the table below.

No	Name	Directorate	Company							Group						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Datuk Noripah Binti Kamso	Independent Director	45,000					2,000	47,000							
2	Datin See Hui Pvng	Executive Director										300,000		48,000		348,000
3	Mr Hideki Nomura	Executive Director										144,000			2,580	146,580
4	Dato' Tang Ngat Ngoh	Independent Director	42,000					2,000	44,000							
5	Datuk Noor Azian Binti Shaari	Independent Director	42,000					2,000	44,000							
6	Mr Chan Yan San	Independent Director	42,000					2,000	44,000							

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

Application	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
Explanation on application of the practice	:	Total remuneration of the key senior management personnel of the Company for the financial year ended 31 December 2024 are provided below in bands of RM50,000/- on a named basis:-	
		Remuneration bands	No. of Key Senior Management
		RM150,000 to RM200,000	Sia Boon Huat, Eng Shu Ling and 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.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here						
2	Input info here	Input info here						
3	Input info here	Input info here						
4	Input info here	Input info here						
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

Practice 8.3 - Step Up

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

Application	:	Not Adopted
Explanation on adoption of the practice	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.1

The Chairman of the Audit Committee is not the Chairman of the board.

Application	:	Applied	
Explanation on application of the practice	:	<p>The positions of the Chairperson of the Board and the ARMC are held by separate individuals. The Chairperson of the Board is Datuk Noripah Binti Kamso, while the Chairman of the ARMC is Mr Chan Yan San.</p> <p>The Chairman of the ARMC is a Certified Practising Accountant of CPA Australia since September 1996 and a Chartered Accountant of Malaysian Institute of Accountants since June 2001.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.2

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC recognises the importance to uphold the independence of its external auditors and that no possible conflict of interest whatsoever should arise. The ARMC has included in its TOR the cooling off period of at least three (3) years for a former key audit partner to observe before being appointed as a member of the ARMC.</p> <p>Presently, none of the members of our ARMC were former audit partners.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

Application	:	Applied
Explanation on application of the practice	:	<p>The ARMC is responsible for assessing the capabilities and independence of the External Auditors and to also recommend to the Board on their appointment, re-appointment or termination of their service to the Company.</p> <p>As stated in the TOR of the ARMC, the ARMC is to assess the competence, audit quality, independence and suitability of the External Auditors and the appropriateness of audit fees to support a quality audit.</p> <p>In addition, the TOR of ARMC states that the Board has approved the Non-Assurance Pre-Approval Policy for non-assurance services provided by the external auditors whereby permissible non-assurance services provided by the external auditors and its affiliates should be pre-approved for the entities within the corporate structure of the Group.</p> <p>ARMC had assessed the performance (including independence) of the External Auditors, Messrs Crowe Malaysia PLT ("External Auditors") based on the competence, audit quality and resource capacity of External Auditors as well as the non-audit services provided by the External Auditors, Messrs Crowe Malaysia PLT.</p> <p>The ARMC has obtained assurance from the External Auditors, confirming that they are and have been independent throughout the conduct of the audit in accordance with the terms of relevant professional and regulatory requirements.</p> <p>Based on the ARMC's assessment of the External Auditors, the Board is satisfied with the independence, quality of service and adequacy of resources provided by the External Auditors in carrying out the annual audit for the FYE 2024. In view thereof, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming 1st AGM.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted		
Explanation on adoption of the practice	:	As to date, the Audit and Risk Management Committee of the Company comprises solely of Independent Directors. The composition of the ARMC is as follows:-		
		Name	Designation	Directorate
		Mr Chan Yan San	Chairman	Independent Non-Executive Director
		Dato' Tang Ngat Ngoh	Member	Independent Non-Executive Director
		Datuk Noor Azian Binti Shaari	Member	Independent Non-Executive Director

Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.
The company's financial statement is a reliable source of information.

Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

Application	:	Applied
Explanation on application of the practice	:	<p>The members of the ARMC are financially literate and possess the necessary skills to discharge their duties and responsibilities effectively. The Chairman of ARMC, Mr Chan Yan San is a Certified Practising Accountant of CPA Australia since September 1996 and a Chartered Accountant of Malaysian Institute of Accountants since June 2001.</p> <p>The qualification and experience of the ARMC members are disclosed in the Board of Directors' Profile of the Annual Report 2024.</p> <p>The training programs that the members of the ARMC have attended during the financial year ended 31 December 2024 were disclosed in the Corporate Governance Overview Statement of the Annual Report 2024.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.1

The board should establish an effective risk management and internal control framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board assumes its overall responsibility in establishing a risk management framework and maintaining a sound system of risk management and internal control throughout the Group which provides reasonable assurance in ensuring the effectiveness and efficiency of the Group's operations that is not limited to financial aspects of the business but also operational and regulatory compliance. The ARMC has been entrusted by the Board in managing the risks and establishment of the internal control system and processes of the Group. The ultimate objectives are to protect the Group's assets and safeguard shareholders' investments.</p> <p>The Board acknowledges that while the internal control system is devised to cater for particular needs of the Company and risk management system is to provide reasonable assurance against material misstatements or loss.</p> <p>The Group has outsourced its internal audit function to the independent professional service provider, Messrs GovernanceAdvisory.com Sdn Bhd ("GovernanceAdvisory"), which reports directly to the ARMC. GovernanceAdvisory carries out its function in accordance with the approved annual internal audit plan approved by the ARMC. The findings of the audits and the recommendations for improvement or actions to be taken by the Management to rectify the issue will be presented in ARMC Meeting.</p> <p>Any significant issue affecting the existing risks or emerging risks as well as the changes to the action plans to address the risks identified, will be discussed during the ARMC meetings and brought to the attention of the Board by the Chairman of ARMC.</p> <p>The Statement on Risk Management and Internal Control as set out in this Annual Report 2024 provides an overview of the state on risk management and internal controls within the Group.</p>
Explanation for departure	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

Application	:	Applied	
Explanation on application of the practice	:	The key features of the risk management and internal control system together with its adequacy and effectiveness are set out in the Statement on Risk Management and Internal Control in the Company's Annual Report 2024.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

Practice 10.3 – Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

Application	:	Adopted
Explanation on adoption of the practice	:	The Risk Management Committee is combined with the Audit and Risk Management Committee to oversee the Company's risk management framework and policies.

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

Application	:	Applied
Explanation on application of the practice	:	<p>The Company's internal audit function has been outsourced to an independent professional firm, GovernanceAdvisory to assist the ARMC in discharging its duties and responsibilities in respect of reviewing and assessing the adequacy and effectiveness of the Group's risk management and internal audit systems. The Outsourced Internal Auditors reports directly to the ARMC, which in turn reports to the Board.</p> <p>The Outsourced Internal Auditors have full and unrestricted access to any employee and information, documents and resources pertaining to the Group in the course of performing its duties.</p> <p>Details of the Internal Audit functions are set out in the ARMC Report in the Annual Report 2024.</p> <p>The Outsourced Internal Auditors carried out the internal audit function based on the internal audit plan approved by the ARMC. The audit findings together with the Management's response and proposed action plans have been reviewed by ARMC at its scheduled meetings. In addition, follow up reviews were also conducted to ensure that the recommendations for improvement have been implemented by the Management on a timely basis.</p> <p>During the period under review, the Outsourced Internal Auditors performed an audit according to the audit plan, reviewed the business processes of the Group and made recommendations to improve the effectiveness of the Group.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

Practice 11.2

The board should disclose—

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

Application	:	Applied
Explanation on application of the practice	:	<p>The Group outsourced its internal audit function to GovernanceAdvisory.com Sdn Bhd, a corporate member of the Institute of Internal Auditors Malaysia (“IIAM”) which is free from any relationship or conflict of interest, which could impair their objectivity and independence.</p> <p>GovernanceAdvisory.com Sdn Bhd, which is headed by Mr Wong Tchen Cheg, who is a Member of Malaysia Institute of Accountants (MIA) and CPA Australia. The internal audit function consists of 10 personnel in the department which has adequate resources and appropriate standing to undertake its work independently and objectively to provide reasonable assurance to the ARMC with regard to the adequacy and effectiveness of risk management, internal control and governance processes.</p> <p>None of the persons involved have any family relationship with the Directors or Company which could result in the conflict of interest and/or impairment of the objectivity and independence during the internal audit review.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board recognises the importance of effective, transparent, regular and timely communication with its shareholders and other stakeholders to keep them informed on the Group's latest financial performance, business and corporate developments.</p> <p>The Group endeavours to provide as much information as possible to its shareholders and stakeholders. It is mindful of legal and regulatory framework governing the release of material and price-sensitive information. Such material and price-sensitive information will not be released unless it has been duly announced or made public through proper channels.</p> <p>The Group maintains a corporate website, https://khpt.com.my with the intention of building communication channel between our Company with the stakeholders:-</p> <p>(a) Announcements submitted to Bursa Securities (b) Investor section which provides relevant corporate information (c) General telephone number, fax number and email address</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

Application	:	Not applicable – Not a Large Company	
Explanation on application of the practice	:		
Explanation for departure	:	The Company does not fall under the category of a large company as defined under Malaysian Code on Corporate Governance.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

Application	:	Applied
Explanation on application of the practice	:	<p>The First Annual General Meeting (“1st AGM”) of the Company will be held on 19 June 2025 and the Notice of the 1st AGM accompanying the Annual Report 2024 of the Company will be issued to the shareholders and published on a nationally circulated newspaper on 30 April 2025 (i.e., at least twenty-eight (28) days prior to the date of the forthcoming 1st AGM). This also complies with the twenty-one (21) days’ notice requirement as required under the Companies Act 2016.</p> <p>The Notice of AGM will be accompanied with explanatory notes to shareholders regarding their entitlement to attend the AGM and their rights to appoint a proxy as well as detailed explanations for each resolution to be tabled at the AGM to enable shareholders to make informed decision in exercising their voting right.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Company was listed on the ACE Market of Bursa Securities on 8 October 2024. The 1st AGM is to be held on 19 June 2025.</p> <p>Nevertheless, all directors will endeavour to attend the forthcoming 1st AGM. The Chair of the Board, ARMC, NRC and Management will provide meaningful response in the event shareholders address questions to them.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

Application	:	Departure	
Explanation on application of the practice	:		
Explanation for departure	:	<p>The Company was listed on the ACE Market of Bursa Securities on 8 October 2024.</p> <p>The forthcoming 1st AGM will be conducted physically at The Synergy, Level LG02, The Westin Kuala Lumpur on 19 June 2025 which is located within the vicinity of Klang Valley and is easily accessible by the shareholders. If the number of registered shareholders physically attending the forthcoming 1st AGM is small and manageable by the Company, electronic voting which would incur higher cost is not deemed practicable to the Company for future general meetings.</p> <p>The shareholders who are unable to attend and vote at the General Meetings of the Company are encouraged to submit the proxy form of the Company to the Share Registrar. Hence, this allows them to vote in absence.</p>	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:	The Company would leverage on technology advancement when conducting General Meetings in the future when the number of shareholders increases.	
Timeframe	:	Others	To implement only when the number of shareholders increase significantly

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company was listed on the ACE Market of Bursa Securities on 8 October 2024 and will be the 1st AGM as a listed entity.</p> <p>The forthcoming 1st AGM will be conducted physically at The Synergy, Level LG02, The Westin Kuala Lumpur on 19 June 2024 and will provide an opportunity for shareholders to participate at the AGM to raise relevant questions to the Chairperson and the Board.</p> <p>Shareholders may also submit their questions to the Company before the commencement of the general meeting and the Chairperson of the Board will invite questions from the shareholders and will endeavour to address all the questions accordingly.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	The Company was listed on the ACE Market of Bursa Securities on 8 October 2024 and will be the 1st AGM as a listed entity.
	:	The forthcoming 1 st AGM will be conducted physically at The Synergy, Level LG02, The Westin Kuala Lumpur on 19 June 2025 and will provide an opportunity for shareholders to participate at the AGM to raise relevant questions to the Chairman and the Board.
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	
	:	

Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

Practice 13.6

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>		
Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Company was listed on the ACE Market of Bursa Securities on 8 October 2024 and will be the 1st AGM as a listed entity.</p> <p>The forthcoming 1st AGM will be held on 19 June 2025 and the Minutes of the AGM together with the Company's responses to questions to be received will be posted on the Company's website no later than 30 business days after the AGM.</p>
	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.

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