

# CORPORATE GOVERNANCE REPORT

**STOCK CODE** : 0322  
**COMPANY NAME** : KHPT HOLDINGS BERHAD  
**FINANCIAL YEAR** : December 31, 2025

## 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.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<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"><li>• The composition of the Board;</li><li>• The roles and responsibilities of Board including formal schedule of matters reserved for the Board's decision;</li><li>• Delegation of its authority to various Board Committees; and</li><li>• Board practices pertaining to meetings, code of conduct, and Whistle-Blowing Policy.</li></ul> <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.</p> <p>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 Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p>

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

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>Datuk Noripah Binti Kamso, an Independent Non-Executive Chairperson, is the Chairperson of the Board. Her profile can be viewed on pages 12 and 13 of the Annual Report 2025 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 the Board include, but are not limited to the following:-</p> <ol style="list-style-type: none"><li>Leadership to the Board in setting the direction and policies of the Group;</li><li>Setting the Board meetings agenda and ensuring that Board members receive complete and accurate information in a timely manner;</li><li>Encouraging active participation and allowing dissenting views to be freely expressed;</li><li>Leading the Board in adoption and implementation of good corporate governance practices in the Group; and</li><li>Advising the Board of good investor relation with effective communication on the Group's performance and strategic plans.</li></ol> <p>The detailed roles and responsibilities of the Chairperson of the Board are stated in the Board Charter, which is published on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a> and is subject to review once every three (3) years or as and when necessary.</p> <p>The 2025 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>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The roles of the Chairperson and the Group Managing Director (“GMD”) are held by separate individuals to ensure a clear division of responsibilities and a balance of authority.</p> <p>The Chairperson of the Company is Datuk Noripah Binti Kamso, an Independent Non-Executive Chairperson, whilst the GMD is Datin See Hui Pvng.</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 GMD is to ensure the implementation of the Group’s strategic plans and policies established by the Board as well as to manage the daily conduct of the business and affairs to ensure smooth operations.</p> <p>The details of the roles and responsibilities of the Chairperson and the GMD are specified in the Board Charter, which is available on the Company’s website at <a href="https://khpt.com.my">https://khpt.com.my</a> and is subject to review once every three (3) years or as and when necessary.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Chairperson of the Board, Datuk Noripah Binti Kamso, an Independent Non-Executive Chairperson, is not a member of any Board Committees and does not participate in any Board Committees' meetings by way of invitation.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is assisted by a qualified and competent Company Secretary who is a member of the Malaysian Institute of Chartered Secretaries and Administrators and is qualified to act as Company Secretary pursuant to Section 235(2) of the Companies Act 2016 ("CA 2016"). All Directors have unrestricted access to the advice and services of the Company Secretary to facilitate the effective discharge of their duties and the proper conduct of the Board's affairs.</p> <p>The Company Secretary keeps the Board updated on matters relating to statutory and regulatory requirements and corporate governance developments, and ensures the timely dissemination of communications received from relevant regulatory and governmental authorities.</p> <p>In addition, the Company Secretary is responsible for ensuring that proper procedures are in place for Board and Board Committees meetings, including the timely dissemination of complete and accurate meeting materials to enable Directors to have sufficient time to review the relevant documents prior to the meetings. The Company Secretary also facilitates effective communication of key decisions and policies between the Board, Board Committees and Management.</p> <p>The appointment and removal of the Company Secretary must be approved by the Board.</p> <p>The roles and responsibilities of Company Secretary are set out in the Board Charter, which is accessible on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 Secretary shall comply with such request.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 Board's objectives and responsibilities. The Board Charter is accessible on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<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 on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has formalised a Whistleblowing Policy which is available on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p> <p>The Chairman of the ARMC, Mr Chan Yan San was identified as the appropriate person 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>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 Environmental, 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 2025.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board, via its disclosures in its Sustainability Statement in the Company’s Annual Report 2025, 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 Company’s Annual Report 2025 is available on the Company’s website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at 31 December 2025, all Directors of the Company have attended and successfully completed the Mandatory Accreditation Programme (“MAP”) and MAP II.</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 Secretary 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>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<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 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>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 <a href="https://khpt.com.my">https://khpt.com.my</a>.</p> <p>For the Financial Year Ended 31 December 2025 ("FYE 2025"), the NRC was satisfied that the results of the annual assessment demonstrated that the Board:-</p> <ul style="list-style-type: none"><li>(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;</li><li>(ii) has discharged their responsibilities in a commendable manner and performed competently;</li><li>(iii) possessed the desired character, experience, competency, dynamic and satisfactorily demonstrated their time commitment and integrity in discharging their duties and responsibilities; and</li><li>(iv) has a balanced mix of skills, knowledge and experience to meet the needs of the Company.</li></ul> <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 the retiring Directors at the forthcoming Annual General Meeting (“AGM”). The NRC concluded that the retiring Directors comply with the fit and proper criteria set out in the Directors’ Fit and Proper Policy and have carried out their duties and responsibilities effectively.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	As at 31 December 2025, the Board comprises five (5) members, consisting of one (1) Independent Non-Executive Chairperson, three (3) Independent Non-Executive Directors and one (1) GMD. 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 of the Malaysian Code on Corporate Governance 2021 ("MCCG"), which requires the Board to comprise a majority of independent directors.
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

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

**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.*

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board, assisted by the NRC, is committed to ensuring that the Board and Senior Management comprise a diverse and appropriately balanced mix of skills, experience and backgrounds.</p> <p>In making recommendation to the Board on the suitable candidates for directorship, the NRC shall assess and consider the candidates’:</p> <ul style="list-style-type: none"><li>• skills, knowledge, experience and diversity;</li><li>• commitment (including time commitment) to effectively discharge his/her role as a Director (including, among others, attendance at Board or Board 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);</li><li>• level of professionalism;</li><li>• merits and against objective criteria with due regard for diversity in gender, age, experience, skills and cultural background;</li><li>• 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</li><li>• 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.</li></ul> <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, knowledge, experience and age to facilitate the optimal decision-making needed to effectively govern the 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 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 Diversity, Equity and Inclusion Policy. The Policy will be reviewed from time to time or as and when required and is published on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a>.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 the NRC. The Board relies on its existing network and referrals from existing Directors, Key Senior Management, major shareholders and advisers as the primary means of sourcing new Directors.</p> <p>The Board is mindful of this practice and may consider utilising independent sources to identify suitably qualified candidates, when necessary.</p> <p>The NRC will explain why other sources were not used if the selection of candidate(s) was solely based on recommendations made by the existing Board members, Management or major shareholder, when necessary.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

## 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profiles of the Directors seeking re-election, including their nationality, age, gender, working experience, directorships in other listed issuers, family relationships with any Director and/or major shareholder of the Company, and any conflict of interest situations, are disclosed in the Company's Annual Report 2025 to enable shareholders to make informed decisions on the re-election of the Directors.</p> <p>The performance of the retiring Directors was assessed by the NRC and the Board before recommendations were made to shareholders for consideration.</p> <p>The NRC also took into consideration the outcome of the Directors' self-assessment before making recommendations to the Board on the retiring Directors seeking for re-election at the forthcoming 2<sup>nd</sup> 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 to determine whether the Directors possess:-</p> <ul style="list-style-type: none"><li>(i) Character and Integrity;</li><li>(ii) Experience and Competence; and</li><li>(iii) Time Commitment to discharge their duties, in accordance with the Fit and Proper Policy.</li></ul>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

**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.

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	As at 31 December 2025, the Board comprises four (4) female Directors, namely Datuk Noripah Binti Kamso, Datin See Hui Pvnng, Dato' Tang Ngat Ngoh and Datuk Noor Azian Binti Shaari, representing 80% women representation on the Board.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Company has formalised the Diversity, Equity and Inclusion Policy which outlines its approach in achieving and maintaining diversity (including gender diversity) on the Board of Directors and within Senior Management positions.</p> <p>The Company’s policy on diversity and equity for the Board and Senior Management is disclosed in the Corporate Governance Overview Statement of the Company’s Annual Report 2025.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

## 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.

<i>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.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Board has adopted a formal and objective annual evaluation of the performance of the Board, Board Committees and Directors. 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, conducts an annual self- evaluation and/or peer evaluation on its effectiveness as a whole, individual Directors and the various 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 seeking 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 2025, 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"><li>(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;</li><li>(ii) possessed the desired character, experience, competency, dynamic and satisfactorily demonstrated their time commitment and integrity in discharging their duties and responsibilities; and</li><li>(iii) have a balanced mix of skills, knowledge and experience to meet the needs of the Company.</li></ul>

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

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company has established a Remuneration Policy for its Directors to ensure that they are governed by the comprehensive remuneration criteria, taking into account the level of responsibility of the positions held, the competencies required and contributions made towards the Group's long-term business strategy, as well as prevailing market conditions.</p> <p>The remuneration of Executive Directors is structured to attract and retain Directors with the relevant experience and expertise to effectively manage the Group's business, whilst for the Non-Executive Directors, the level of remuneration reflects their experience, qualifications and level of responsibilities and participation.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	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.  The duties and responsibilities of the NRC are set out in its TOR, which is published on the Company's website at <a href="https://khpt.com.my">https://khpt.com.my</a> .
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	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 ('000)							Group ('000)						
			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	54	2.50	0	0	0	0	56.50	54	2.50	0	0	0	0	56.50
2	Datin See Hui Pvng	Executive Director	0	0	0	0	0	0	0	0	48	300	0	0	46.63	394.63
3	Dato' Tang Ngat Ngoh	Independent Director	42	3	0	0	0	0	45	42	3	0	0	0	0	45
4	Datuk Noor Azian Binti Shaari	Independent Director	42	3	0	0	0	0	45	42	3	0	0	0	0	45
5	Mr Chan Yan San	Independent Director	42	3	0	0	0	0	45	42	3	0	0	0	0	45
6	Mr Hideki Nomura (retired on 14 November 2025)	Executive Director	0	0	0	0	0	0	0	0	43.04	125.60	0	0	1.17	169.81
7	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
8	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
9	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
11	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
12	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
13	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
14	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
15	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	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

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.

<b>Application</b>	:	Applied – the company discloses the remuneration of members senior management who are not members of the board	
<b>Explanation on application of the practice</b>	:	Total remuneration of the key senior management personnel of the Company for the financial year ended 31 December 2025 are provided below in bands of RM50,000/- on a named basis:-	
		<b>Remuneration bands</b>	<b>Key Senior Management</b>
		RM200,001 to RM250,000	Sia Boon Huat
		RM200,001 to RM250,000	Eng Shu Ling
		RM200,001 to RM250,000	Oon Pey Yang
		The Board considers the remuneration information of key senior management to be confidential and proprietary, and in respect of their privacy, will not disclose such information in details.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

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

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<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 ("CPA") of CPA Australia since September 1996 and a Chartered Accountant of the Malaysian Institute of Accountants since June 2001.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<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>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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>The 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 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 2025. Accordingly, the Board has recommended the re-appointment of the External Auditors for the approval of shareholders at the forthcoming 2<sup>nd</sup> AGM.</p>

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

### 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.

<b>Application</b>	:	Adopted												
<b>Explanation on adoption of the practice</b>	:	As to date, the ARMC of the Company comprises solely of Independent Directors. The composition of the ARMC is as follows:- <table border="1"><thead><tr><th><b>Name</b></th><th><b>Designation</b></th><th><b>Directorate</b></th></tr></thead><tbody><tr><td>Mr Chan Yan San</td><td>Chairman</td><td>Independent Non-Executive Director</td></tr><tr><td>Dato' Tang Ngat</td><td>Member</td><td>Independent Non-Executive Director</td></tr><tr><td>Datuk Noor Azian Binti Shaari</td><td>Member</td><td>Independent Non-Executive Director</td></tr></tbody></table>	<b>Name</b>	<b>Designation</b>	<b>Directorate</b>	Mr Chan Yan San	Chairman	Independent Non-Executive Director	Dato' Tang Ngat	Member	Independent Non-Executive Director	Datuk Noor Azian Binti Shaari	Member	Independent Non-Executive Director
<b>Name</b>	<b>Designation</b>	<b>Directorate</b>												
Mr Chan Yan San	Chairman	Independent Non-Executive Director												
Dato' Tang Ngat	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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 2025.</p> <p>The training programs that the members of the ARMC have attended during the financial year ended 31 December 2025 were disclosed in the Corporate Governance Overview Statement of the Annual Report 2025.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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 establishing the Group's internal control systems and processes. The ultimate objectives are to protect the Group's assets and safeguard shareholders' investments.</p> <p>The Board acknowledges that 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 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 at the ARMC meetings.</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 2025 provides an overview of the state on risk management and internal controls within the Group.</p>

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

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	The key features of the risk management framework 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 2025.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The Board did not establish a separate Risk Management Committee. Instead, it was combined with the Audit Committee and named as ARMC.</p> <p>The ARMC, which comprises solely the Independent Non-Executive Directors, oversees the Company's risk management framework and policies.</p>

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's internal audit function is outsourced to an independent professional firm, Governance Advisory 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 framework and internal audit systems. The Internal Auditors report directly to the ARMC, which in turn reports to the Board.</p> <p>The Internal Auditors are granted full and unrestricted access to all employees, 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 2025.</p> <p>The Internal Auditors carried out the internal audit function based on the internal audit plan approved by the ARMC. All audit findings together with the Management's responses and proposed action plans are reviewed by the 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 Internal Auditors performed an audit according to the approved audit plan, reviewed the business processes of the Group and made recommendations to improve the effectiveness and efficiency of the Group's operations.</p>
<b>Explanation for departure</b>	:	

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

<b>Measure</b> :		
<b>Timeframe</b> :		

## 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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Group has outsourced its internal audit function to GovernanceAdvisory, 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, 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 approximately 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>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<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, <a href="https://khpt.com.my">https://khpt.com.my</a> with the intention of building communication channel between our Company with the stakeholders:-</p> <ul style="list-style-type: none"><li>a) Announcements submitted to Bursa Securities;</li><li>b) Investor section which provides relevant corporate information; and</li><li>c) General telephone number and email address.</li></ul>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Not applicable – Not a Large Company	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	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>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Notice of the First AGM (“1<sup>st</sup> AGM”) of the Company held on 19 June 2025 was issued to shareholders on 30 April 2025, which is more than twenty-eight (28) days prior to the date of the 1<sup>st</sup> AGM, to allow shareholders to have sufficient time to consider the resolutions that will be tabled at the AGM and make the necessary attendance and voting arrangements.</p> <p>The notice convening the forthcoming AGM of the Company in 2026 will be issued to shareholders at least twenty-eight (28) days prior to the date of the AGM.</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>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**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.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	At the 1 <sup>st</sup> AGM held on 19 June 2025, all Directors, Senior Management, External Auditors and Company Secretary were present in person to engage directly with shareholders and address questions or issues raised by shareholders.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**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.

<b>Application</b>	:	Departure	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:	The Company did not facilitate the remote shareholders’ participation at the AGM due to holding the physical AGM on 19 June 2025.	
		However, Management always ensure that the AGM is convened at a venue which is easily accessible. Those shareholders who are unable to attend the AGM is entitled to appoint any person(s) as their proxy(ies) to attend, participate and vote on their behalf at the AGM, in accordance with the Company’s Constitution.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### 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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The Company provided at least 28 days' notice for general meetings, and all members of the Board were in attendance. In addition to the Notice of AGM, all relevant meeting documents were made available for shareholders to view and download from the Company's website and were also published on Bursa Securities' website. The notices included comprehensive explanatory notes and the necessary information on each proposed resolution, enabling shareholders to make well-informed decisions on the matters to be tabled.  During the physical AGM held on 19 June 2025, shareholders were given ample opportunity to raise questions, and the Board and Management responded to all queries promptly and appropriately.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

### 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>	
<b>Application</b> :	Not applicable – only physical general meetings were conducted in the financial year
<b>Explanation on application of the practice</b> :	
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

**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>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The minutes of the 1 <sup>st</sup> AGM of the Company held on 19 June 2025 together with the Company’s responses to questions raised by the shareholders were published on the Company’s corporate website no later than thirty (30) business days after the 1 <sup>st</sup> AGM.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

**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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