MANAGEMENT DISCUSSION AND ANALYSIS

Introduction of Knusford Berhad's Business

Knusford Berhad ("KB" or "the Company" or "the Group") is a Malaysian-based Company with diversified businesses in trading of building materials, construction-related works, property development and investment holding.

Overview of Financial Performance

The Group recorded revenue of RM37.57 million, a loss before tax of RM11.72 million and a loss after tax of RM11.58 million for financial year ended ("FYE") 2026, compared with revenue of RM80.48 million, profit before tax of RM11.92 million and profit after tax of RM10.53 million in FYE 2025.

The Trading and Construction Divisions remained the Group's principal revenue contributors in FYE 2026, generating revenue of RM22.12 million and RM16.01 million, respectively. The Property Development, Investment Property and Services Divisions contributed revenue of RM0.97 million, RM1.25 million and RM0.59 million, respectively.

The lower revenue recorded in FYE 2026 was mainly attributable to reduced contributions from the Construction and Trading Divisions. Construction revenue declined following the substantial completion of certain major projects in the previous financial year. The remaining ongoing project progressed at a slower-than-anticipated pace during the financial year due to site-specific and execution constraints, resulting in lower work progress and revenue recognition. This, coupled with softer demand for building materials, contributed to the lower revenue performance.

The Group reported a loss before tax of RM11.72 million in FYE 2026, compared with a profit before tax of RM11.92 million in FYE 2025. The deterioration in financial performance was mainly attributable to lower revenue, the reassessment of project profit margin for a construction projects, which resulted in the recognition of project losses during the financial year, as well as higher operating cost pressures arising from increased material, labour, transportation, and logistics costs.

In addition, the Group recognised a gain on disposal of investment property of RM4.67 million in FYE 2026, which was lower than the gain of RM12.03 million recorded in FYE 2025. The lower disposal gains further contributed to the decline in the Group's profitability during the financial year.

Segmental Financial Performance

An analysis of the Group's segmental financial performance is set out in the following table:

	Revenue		**Profit/(Loss) before tax**	
	31-Mar-26 RM'million	**31-Mar-25 RM'million**	**31-Mar-26 RM'million**	**31-Mar-25 RM'million**
Trading	22.12	32.81	4.47	(4.50)
Property development	0.97	3.54	0.31	0.96
Construction	16.01	46.83	(17.13)	9.44
Investment property	1.25	2.33	4.25	10.62
Services	0.59	0.82	(0.59)	0.00
Total	**40.94**	**86.33**	**(8.69)**	**16.52**

	Revenue		Profit/(Loss) before tax	
	31-Mar-26 RM'million	31-Mar-25 RM'million	31-Mar-26 RM'million	31-Mar-25 RM'million
Less: inter segment elimination	(3.37)	(5.85)	(0.00)	(0.71)
Interest income			0.14	0.26
Interest expenses			(2.68)	(3.28)
Share of profit (loss) of equity accounted investments			0.11	(0.24)
Unallocated other expenses			(0.60)	(0.63)
	37.57	**80.48**	**(11.72)**	**11.92**

In FYE 2026, the Group has recognised the disposal of the following property:-

The wholly owned subsidiary of the Company, Knusford Holdings Sdn Bhd, had on 11 March 2026, entered into a conditional sale and purchase agreement with Tahap Juara Sdn Bhd to dispose of all that piece of freehold land held under Geran Mukim 348, Lot 3658, in the Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur for a cash consideration of Ringgit Malaysia Seven Million (RM7,000,000) only. The gain derived from the said disposal amounted to RM4.67 million.

Trading Division

The Trading Division recorded revenue of RM22.12 million in FYE 2026, compared with RM32.81 million in FYE 2025. The lower revenue contribution was primarily attributable to weaker demand for building materials amid softer market conditions and reduced construction activities during the financial year.

The division reported a profit before tax of RM4.47 million in FYE 2026, compared with loss before tax of RM4.50 million in FYE 2025. The division's financial performance improved significantly in FYE 2026 compared with FYE 2025, mainly attributable to the reversal of net impairment loss of financial instruments previously provided of RM 6.17 million.

The building materials industry in Malaysia continued to operate in a challenging environment during 2026. The sector was affected by ongoing cost volatility, supply chain disruptions, labour shortages, and increasing expectations for sustainable and environmentally responsible business practices. While construction activities and infrastructure spending continued to provide underlying support to demand, market participants remained cautious amid fluctuating raw material prices, rising transportation and logistics costs, and intense market competition.

Geopolitical conflicts, trade tensions, and volatility in global energy markets have also contributed to higher fuel and transportation costs, placing additional pressure on operating margins across the building materials supply chain.

The building materials trading segment continues to experience margin compression arising from escalating operating costs, subdued property market activity, and intense price competition among industry participants. Although the implementation of infrastructure projects under the 13th Malaysia Plan is expected to support industry demand over the medium term, many trading companies continue to face challenges in achieving sufficient transaction volumes to generate sustainable profitability.

The industry outlook remains mixed. While the implementation of infrastructure projects under the 13th Malaysia Plan and selected private sector developments are expected to support demand for building materials, ongoing geopolitical tensions, global trade uncertainties, volatile fuel and commodity prices, and cautious market sentiment may continue to pose challenges to industry participants. Accordingly, the Group will remain focused on operational efficiency, prudent cost management, and securing sustainable order flows to enhance the division's resilience and long-term viability.

The performance of the Trading Division remains closely linked to the activity levels and project pipelines of the Group's construction and property development divisions. Going forward, management remains cautiously optimistic that demand for building materials will improve, supported in part by ongoing and planned projects within the Group and related parties, including:

- The EkoTitiwangsa property development project; and
- The proposed privatisation and development of the Laluan Istana–Kiara Expressway (LIKE) and
- Kampung Baru Link Expressway (KBL) projects by the Ekovest Berhad Group.

The Group will continue to focus on improving operational efficiency, strengthening customer relationships, working capital management, and securing sustainable order flows to improve the division's performance and long-term viability.

Construction Division

In FYE 2026, the Construction Division recorded revenue of RM16.01 million, compared with RM46.83 million in FYE 2025. The lower revenue contribution was mainly attributable to reduced construction activities during the financial year.

The division recorded a loss before tax of RM17.13 million in FYE 2026, compared to a profit before tax of RM9.44 million in FYE 2025. The decline in performance was primarily attributable to the following factors:

- Lower construction activities during the financial year, coupled with the reassessment of project profit margins, which resulted in adjustments to profits previously recognised. In contrast, FYE 2025 benefited from additional profits arising from the finalisation of certain project accounts with clients and the recognition of improved profit margins for projects nearing completion;
- Continued increases in building material prices and labour costs, continued to exert pressure on project margins;
- Higher logistics and operating costs following the implementation of the diesel subsidy rationalisation in 2026, resulting in increased transportation and site operating expenses; and
- Net impairment loss on financial instruments and contract assets of RM4.61 million was recognised in FYE 2026, compared with a net reversal of impairment on financial instruments and contract assets of RM1.74 million recognised in FYE 2025.

The combined impact of these factors resulted in a significant decline in both revenue and profitability during the financial year. The challenging operating environment and insufficient order book to sustain construction activity continued to affect the Group's construction operations.

As a project-based business, the division's financial performance is closely linked to the progress of ongoing projects and the replenishment of its order book through the successful securing of new contracts. During the financial year, the Group's construction order book continued to decline amid a challenging tender environment and intense competition within the construction sector. In evaluating tender opportunities, Management maintained a disciplined bidding approach by prioritising projects with acceptable commercial terms, sustainable margins and manageable execution risks, rather than pursuing volume-driven growth.

The Malaysian construction industry is expected to remain active yet challenging in 2026/2027. Industry performance will continue to be influenced by domestic economic conditions, government infrastructure spending, financing conditions, and developments in the global economic environment. Geopolitical conflicts, trade tensions, and reciprocal tariffs introduced by the United States have continued to disrupt global supply chains and contribute to volatility in commodity and energy prices. The resulting increase in diesel and transportation costs, together with domestic subsidy rationalisation measures, has raised operating costs across the construction sector and created additional pressure on project margins and profitability.

Competition within the industry remains intense amid a limited pipeline of large-scale projects. At the same time, rising material costs, labour shortages, and increasing regulatory and compliance requirements continue to place pressure on contractors' margins. In many cases, these cost increases cannot be fully passed on to clients due to fixed-price contractual arrangements.

To navigate these challenges, the division will continue to focus on the following strategic priorities:

- Enhancing cost management and project execution efficiency;
- Pursuing selective tendering strategies by targeting projects with sustainable margins and acceptable risk profiles;
- Strengthening relationships with existing clients and strategic business partners to secure recurring opportunities; and
- Leveraging the expertise and experience of its personnel to ensure effective project management, quality execution, and timely project delivery.

As at 31 March 2026, the Group's construction order book stood at approximately RM133 million, with the majority of ongoing projects expected to be completed over the next one and a half years.

The division will continue to adopt a disciplined approach to project tendering and procurement, ensuring that all prospective projects undergo technical, financial, and risk assessments before acceptance. This is intended to safeguard the Group against projects that may expose it to disproportionate commercial and operational risks.

To mitigate the impact of inflationary pressures, supply chain disruptions, and evolving regulatory requirements, the division will continue to implement cost-efficient operating practices, pursue value engineering initiatives, and optimise resource allocation, procurement planning, and supply chain management.

While the near-term operating environment is expected to remain challenging, the Group remains committed to navigating these uncertainties through prudent project selection, disciplined project execution, effective cost management, and a continued focus on long-term value creation. The Group's priorities for 2026/2027 remain centred on liquidity preservation, risk mitigation, operational resilience, and sustainable profitability.

Property Development Division

The Property Development Division recorded revenue of RM0.97 million in FYE 2026, compared with RM3.54 million in FYE 2025. In line with the lower sales achieved during the financial year, profit before tax decreased to RM0.31 million in FYE 2026 from RM0.96 million in FYE 2025.

There were no new property launches during FYE 2026 as the Group focused on the sale of its remaining completed units. The available units are primarily higher-value properties with selling prices exceeding RM0.8 million per unit. Demand for such properties remained subdued as homebuyers continued to prioritise affordability amid the higher cost of living, cautious consumer sentiment, and relatively tight financing conditions.

The Malaysian property market continues to face a challenging operating environment, particularly within the mid- to high-end residential segment, where affordability concerns and cautious purchasing decisions have affected transaction volumes. Nevertheless, government initiatives to support homeownership, stable employment conditions, and continued infrastructure development are expected to provide some support to the broader property market over the medium term.

Moving forward, the Group will continue to focus on monetising its completed inventories and strengthening cash flow generation while adopting a prudent approach towards future project launches. New development projects will be carefully evaluated based on prevailing market conditions, demand sustainability, development costs, and pricing affordability to ensure alignment with the Group's long-term strategic and financial objectives.

Investment Property Division

The Investment Property Division recorded revenue of RM1.25 million in FYE 2026, compared with RM2.33 million in FYE 2025. The decrease was primarily attributable to the termination of a tenancy following the disposal of one of the Group's investment properties, which resulted in lower recurring rental income during the financial year.

The division reported a profit before tax of RM4.25 million in FYE 2026, compared with RM10.62 million in FYE 2025. The lower profitability was mainly attributable to a smaller gain on disposal of investment properties, which amounted to RM4.67 million in FYE 2026 compared with RM12.03 million recorded in FYE 2025.

The performance of the division continues to be influenced by occupancy levels, tenant retention, rental renewals, prevailing market rental rates, and opportunities for strategic asset monetisation. In the current operating environment, demand for commercial and investment properties remains dependent on overall economic conditions, business sentiment, and the pace of recovery across various sectors of the economy.

Moving forward, the Group will continue to optimise the utilisation of its investment property portfolio through active tenancy management, prudent cost control measures, and selective asset monetisation initiatives where appropriate. The Group's focus remains on strengthening recurring rental income, maintaining occupancy levels, and enhancing overall returns from its property assets while preserving financial flexibility.

Services Division

The Services Division, which comprises landscape maintenance services as well as the sale and rental of plant and equipment, remained a relatively small contributor to the Group's overall operations during the financial year.

The sector recorded revenue of RM0.59 million in FYE 2026, compared with RM0.82 million in FYE 2025. The division reported a loss before tax of RM0.59 million in FYE 2026, compared with a loss before tax of RM6,000 in FYE 2025. The wider loss was primarily attributable to the absence of the one-off gain of RM1.22 million arising from the disposal of plant and equipment recognised in FYE 2025. Nevertheless, the loss before tax in FYE 2026 was partially mitigated by a net reversal of impairment on financial instruments and contract assets of RM0.52 million, compared with a net impairment provision of RM0.29 million recognised in FYE 2025.

Financial Condition

As at 31 March 2026, the Group had total assets of RM390.37 million and total liabilities of RM162.90 million, compared with total assets of RM406.49 million and total liabilities of RM167.44 million as at 31 March 2025.

The decrease in the Group's total assets and total liabilities was mainly attributable to the disposal of an investment property during the financial year. The proceeds from the disposal were utilised to reduce trade and other payables and to support the Group's working capital requirements. Trade and other receivables increased from RM206.83 million to RM207.40 million. Total borrowings remained relatively stable at RM46.41 million, while trade and other payables decreased from RM121.56 million to RM116.06 million, contributing to the overall reduction in total liabilities.

Equity attributable to the owners of the Company stood at RM227.47 million as at 31 March 2026, compared with RM239.06 million as at 31 March 2025, mainly reflecting the loss incurred during the financial year.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Knusford Berhad ("Board") recognises the importance of adopting a sound base for good corporate governance in managing its business affairs so as to build a sustainable business capable of enhancing shareholder value.

In preparing this Corporate Governance Overview Statement ("CGOS"), the Company is guided by the Corporate Governance Guide (4th edition) issued by Bursa Malaysia Securities Berhad ("Bursa Securities"). The CGOS is supplemented with a Corporate Governance Report ("CG Report"), in accordance with Rule 15.25 of the Main Market Listing Requirements ("MMLR") and it provides an insight on how the Company maps the application of the Company's Corporate Governance practice during the financial year ended 31 March 2026 ("FYE 2026") against Malaysian Code on Corporate Governance 2021 ("MCCG").

The Board is pleased to present this CGOS to provide an overview on the Company's application of the principles and compliance with best practices as set out in MCCG, and should be read together with the CG Report of the Company for FYE 2026 published on the Company's website at http://www.knusford.com.my.

CORPORATE GOVERNANCE STRUCTURE

The Group's corporate governance structure is illustrated below.

The Group has established a governance framework based on the three lines of defence model, which supports effective decision-making, accountability, and oversight. This structure enables constructive challenge, balanced consideration of views, and clear delineation of roles and responsibilities across the organisation.

CORPORATE GOVERNANCE STRUCTURE (CONT'D)

The three lines of defence are summarised as follows:

Executive Management

The first line of defence comprises the Executive Management, including the Chief Executive Officer ("CEO") and Management team. They are responsible for the day-to-day operations of the Group, implementation of strategies, and management of business risks.

The Management team reports directly to the CEO, while the CEO reports to the Executive Director ("ED").

Executive Directors, Chief Executive Officer and Board Committees

The Executive Director ("ED") and CEO oversee and manage the Group's business operations, ensuring that appropriate systems of governance and risk management are in place.

The Board is supported by three principal Board Committees:

- Nomination and Remuneration Committee ("NRC")
- Risk Management Committee ("RMC")
- Audit Committee ("AC")

Each Committee operates under clearly defined terms of reference and reports directly to the Board. The Chairpersons of the respective Committees provide regular updates to the Board on key deliberations, recommendations, and action plans.

While these Committees play a critical role in supporting the Board's oversight functions, the Board retains ultimate responsibility for all decisions.

Internal Audit and External Audit

The third line of defence comprises both the internal and external audit functions, who report independently to the AC. The external auditors have confirmed their independence throughout the audit process in accordance with relevant professional and regulatory requirements. The internal audit function provides independent assurance on the adequacy and effectiveness of the Group's governance, risk management and internal control systems.

Other governance components include:

Authority limits

The Group has established clear authority limits across key processes, including procurement, tendering, and contract awards. These limits define lines of responsibility and accountability, ensuring that decisions are made with appropriate authority and due consideration.

Policies and procedures

Comprehensive policies and procedures are in place to guide operational management across key functions, including finance, human resources, procurement, construction management, and property management.

Management meetings

Executive Management meets regularly to deliberate on operational matters, address key issues, and align on strategic priorities. These meetings also serve to monitor the implementation of action plans and ensure effective execution of the Group's strategies.

CORPORATE GOVERNANCE STRUCTURE (CONT'D)

Other governance components include : (Cont'd)

Code of Conduct and Ethics, Whistleblowing Policy and Anti-Bribery & Anti-Corruption ("ABAC") Policy

The Board has established a Code of Conduct and Ethics ("Code") applicable to Directors, Senior Management, and employees. The Code sets out the standards of behaviour expected, including areas such as conflict of interest, confidentiality, workplace safety, compliance with laws and internal policies, and ethical dealings with stakeholders.

To promote transparency and accountability, the Group has implemented a Whistleblowing Policy, which provides accessible channels for reporting suspected misconduct, unethical behaviour, or violations. The policy ensures that all stakeholders can raise concerns in a safe and confidential manner.

In compliance with Section 17A of the Malaysian Anti-Corruption Commission Act 2009, the Group has also established and implemented an Anti-Bribery and Anti-Corruption ("ABAC") Policy, supported by adequate procedures to prevent corrupt practices. The Board, through Management, continues to monitor and enhance the effectiveness of these measures.

Further details pertaining to the Code of Conduct and Ethics, Whistleblowing Policy and ABAC Policy are available at the Company's website at www.knusford.com.my.

Sustainability

The Board recognises the importance of sustainability and Environmental, Social and Governance ("ESG") considerations in driving the long-term success of the Group. The Board provides oversight of the Group's sustainability agenda by reviewing and approving the sustainability strategies, policies, initiatives and disclosures, ensuring that sustainability considerations are integrated into the Group's business operations and decision-making processes.

In carrying out its responsibilities, the Board is supported by the RMC, which oversees the implementation and monitoring of sustainability matters. The RMC, in turn, is assisted by the Sustainability Working Committee, which is responsible for coordinating sustainability initiatives, monitoring ESG performance, and facilitating the preparation of the Group's sustainability reporting for the RMC's and Board's review and approval.

The Company's efforts in this regard have been set out in the Sustainability Statement on pages 49 to 81 in this Annual Report.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

The Board is responsible for the overall corporate governance of the Group, including setting the Group's strategic direction, promoting ethical conduct, overseeing management's performance, and monitoring the achievement of established objectives. The Board also ensures the enhancement of shareholder value and safeguards the interests of stakeholders.

The Board delegates the day-to-day operational and administrative responsibilities of the Group to the Executive Directors ("EDs") and the Chief Executive Officer ("CEO"), while retaining oversight of management's actions and performance.

The Board Charter, which outlines the roles and responsibilities of the Board, its Committees, the EDs, and the CEO, is made available on the Company's corporate website to promote transparency and accessibility. The Charter serves to ensure that all Board members are aware of their duties, the applicable laws and regulations governing their conduct, and the principles of good corporate governance to be upheld in carrying out their responsibilities.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

The Board has appointed Ms. Lim Aik Yong as the Company Secretary. She is a qualified Chartered Secretary with the requisite experience and competence to provide appropriate advice and support to the Board, ensuring compliance with regulatory requirements and adherence to governance best practices.

Board Meeting

The Board meets on a quarterly basis, with additional meetings convened as and when necessary to deliberate on urgent matters requiring prompt attention and decision. Where appropriate, decisions are also made via Directors' Circular Resolutions.

Meeting agendas and Board papers are prepared and circulated in advance by the Company Secretary to ensure that Directors are provided with sufficient time to review and consider the matters to be discussed, thereby facilitating informed decision-making.

All proceedings of Board meetings, including key deliberations, matters discussed, and decisions made, are properly recorded by the Company Secretary. The minutes of meetings are subsequently confirmed and signed by the Chairman as a true and accurate record.

Each Director is committed to devoting sufficient time to effectively discharge his or her responsibilities. All Directors have complied with the MMLR of Bursa Securities, which limit a Director to a maximum of five (5) directorships in public listed companies. The Board is satisfied that the number of directorships held by each Director does not impair their ability to fulfil their duties effectively.

The Board is also satisfied with the level of time commitment demonstrated by the Directors, as evidenced by their attendance at Board and Board Committee meetings.

During the financial year under review, a total of five (5) Board meetings were held. The attendance of the Directors who held office during the financial year ended 2026 is set out below:

Name	Designation	Board of Directors Meeting
DYAM Tunku Ismail Ibni Sultan Ibrahim	Non-Independent Non-Executive Director	3/5
Lim Chen Herng	Executive Director	5/5
Lim Chen Thai	Executive Director	5/5
Lim Sew Hua	Executive Director	5/5
Bernard Hilary Lawrence (resigned on 10 April 2025)	Senior Independent Non-Executive Director	-/-
Dato' Avinderjit Singh A/L Harjit Singh (resigned on 11 July 2025)	Independent Non-Executive Director	1/1
Lee Wai Kuen (resigned on 03 December 2025)	Independent Non-Executive Director	4/4
Lim Foo Seng (resigned on 03 December 2025)	Independent Non-Executive Director	4/4

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

I. Board Responsibilities (Cont'd)

Board Meeting (Cont'd)

During the financial year under review, a total of five (5) Board meetings were held. The attendance of the Directors who held office during the financial year ended 2026 is set out below (Cont'd):

Name	Designation	Board of Directors Meeting
Mohd Salleh Bin Othman (resigned on 19 May 2025)	Independent Non-Executive Director	-/-
Kang Hui Ling (appointed on 10 February 2026)	Independent Non-Executive Director	1/1
Liew Voon Keong (appointed on 10 April 2025)	Independent Non-Executive Director	5/5
Jasmine Cheong Chi-May (appointed on 19 May 2025)	Independent Non-Executive Director	5/5
Lim Ts-Fei (appointed on 11 July 2025)	Independent Non-Executive Director	4/4

II. Board Composition

The Board comprises eight (8) members and one (1) Alternate Director, of whom four (4) are Independent Directors. The current composition complies with Practice 5.2 of the Malaysian Code on Corporate Governance ("MCCG"), which advocates that at least half of the Board comprises Independent Directors.

The Group practices non-discrimination in all forms, including but not limited to age, gender, ethnicity, and religion, in the selection and appointment of Board members. The Board believes that its composition should consist of individuals with the appropriate qualifications, experience, integrity, professionalism, independence, and sound judgement. This ensures that both the Board and Management are well-positioned to effectively safeguard the interests of the Group and its shareholders.

The Board members collectively bring a diverse range of expertise, backgrounds, and perspectives, which contribute to robust deliberations, informed decision-making, and effective strategic oversight in a dynamic and competitive business environment. The profiles of the Directors, including their skills and experience, are set out on pages 13 to 15 of this Annual Report.

The Board supports gender diversity and provides equal opportunities to all qualified candidates, taking into consideration experience, competencies, and alignment with the Group's operational and strategic requirements. As at the date of this Report, the Board comprises four (4) female Directors.

Nomination and Remuneration Committee ("NRC")

The NRC is guided by its Terms of Reference, which sets out its key roles and responsibilities. These include overseeing the nomination and appointment of Directors, establishing appropriate criteria for Board appointments, and ensuring an optimal mix of skills, experience, attributes, and core competencies among Board members. The NRC is also responsible for reviewing and recommending appointments to Board Committees, as well as conducting annual assessments on the effectiveness of the Board, Board Committees, and individual Directors.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Nomination and Remuneration Committee ("NRC") (Cont'd)

The NRC comprises solely Independent Directors and convened one (1) meeting during the financial year under review. During the meeting, the NRC reviewed the composition of the Board, taking into consideration the mix of skills, independence, and diversity, as well as the nomination and election processes of Directors and the selection criteria adopted.

An annual assessment was carried out on the performance of the Board as a whole, its Committees, and each individual Director based on established evaluation criteria.

Based on the outcome of the assessment, the Board was satisfied that it and its Committees had effectively discharged their duties and responsibilities. The performance and contributions of each Director were also considered to be satisfactory. The Board further concluded that its current size and composition, including the balance between Executive, Non-Executive, and Independent Directors, remain appropriate, and that the existing mix of skills and experience adequately supports the Group's strategic direction and governance requirements.

The Board has adopted a Fit and Proper Policy in accordance with Paragraph 15.01A of Bursa Securities' MMLR. The Policy provides a framework for the NRC in evaluating the suitability, integrity, competence, experience and commitment of individuals proposed for appointment as Directors, as well as Directors seeking election or re-election, to ensure that the Board comprises individuals who possess the requisite qualities and capabilities to effectively discharge their responsibilities.

Based on the criteria set out in the Fit and Proper Policy, the NRC evaluates and assesses the suitability of candidates before recommending their appointment to the Board. The final decision on the appointment of Directors rests with the Board after considering the NRC's recommendations. Upon approval of the appointment, the Company Secretary ensures that all necessary procedures and regulatory requirements are duly complied with, including obtaining the requisite information, consents and declarations from the proposed Director and effecting the appointment in accordance with the applicable laws and regulations.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

II. Board Composition (Cont'd)

Nomination and Remuneration Committee ("NRC") (Cont'd)

The Board composition in terms of each of the Director's industry and/or background experience, age and ethnic composition is as follows:

Director	Experience & Specialise in					Age Bracket					Ethnicity		Gender	
	Construction	Finance	Trading	Legal	Public Service	30 to 39 years old	40 to 49 years old	50 to 59 years old	60 to 69 years old	70 to 79 years old	Bumiputra	Non-Bumiputra	Male	Female
DYAM Tunku Ismail Ibni Sultan Ibrahim					✓		✓				✓		✓	
Lim Chen Herng	✓	✓	✓			✓						✓	✓	
Lim Chen Thai	✓	✓	✓			✓						✓	✓	
Lim Sew Hua		✓	✓							✓		✓		✓
Bernard Hilary Lawrence (resigned on 10 April 2025)				✓				✓				✓	✓	
Dato' Avinderjit Singh A/L Harjit Singh (resigned on 11 July 2025)					✓			✓				✓	✓	
Lee Wai Kuen (resigned on 03 December 2025)			✓	✓					✓			✓	✓	
Lim Foo Seng (resigned on 03 December 2025)	✓	✓	✓					✓				✓	✓	
Kang Hui Ling (appointed on 10 February 2026)		✓						✓				✓		✓
Mohd Salleh Bin Othman (resigned on 19 May 2025)	✓									✓	✓		✓	
Liew Voon Keong (appointed on 10 April 2025)	✓								✓			✓	✓	
Jasmine Cheong Chi-May (appointed on 19 May 2025)				✓		✓						✓		✓
Lim Ts-Fei (appointed on 11 July 2025)				✓					✓			✓		✓

III. Remuneration

The remuneration of Directors and Senior Management is reviewed by the NRC, which provides recommendations to the Board where appropriate. The Board approves the remuneration of Directors and Senior Management, taking into consideration the Group's performance, individual contributions, responsibilities, and prevailing market conditions. Directors abstain from deliberations and decisions on their own remuneration.

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration (Cont'd)

Pursuant to Section 230(1) of the Companies Act 2016, the fees of Directors and any benefits payable to Directors of a listed company and its subsidiaries are subject to shareholders' approval at a general meeting. The proposed Directors' fees for the financial year will be tabled for shareholders' approval at the forthcoming Annual General Meeting.

The terms of reference of the NRC are available on the Company's corporate website.

The details of Directors' remuneration for the FYE 2026 are as follows:

Group

Name	Fees (RM)	Allowance (RM)	Salaries (RM)	Bonus (RM)	Other Remuneration (RM)	Benefits-in-kind (RM)	Total (RM)
DYAM Tunku Ismail Ibni Sultan Ibrahim	30,000	–	–	–	–	–	30,000
Lim Chen Herng	30,000	120,000	120,000	–	28,800	8,100	306,900
Lim Chen Thai	30,000	60,000	180,000	–	28,800	28,000	326,800
Lim Sew Hua	30,000	24,000	576,000	–	–	15,125	645,125
Bernard Hilary Lawrence (resigned on 10 April 2025)	822	–	–	–	–	–	822
Dato' Avinderjit Singh A/L Harjit Singh (resigned on 11 July 2025)	8,384	–	–	–	–	–	8,384
Lee Wai Kuen (resigned on 03 December 2025)	20,301	–	–	–	–	–	20,301
Lim Foo Seng (resigned on 03 December 2025)	24,362	–	–	–	–	–	24,362
Kang Hui Ling (appointed on 10 February 2026)	4,932	–	–	–	–	–	4,932
Mohd Salleh Bin Othman (resigned on 19 May 2025)	4,027	–	–	–		–	4,027
Liew Voon Keong (appointed on 10 April 2025)	29,260	–	–	–	–	–	29,260
Jasmine Cheong Chi-May (appointed on 19 May 2025)	26,055	–	–	–		–	26,055
Lim Ts-Fei (appointed on 11 July 2025)	21,699	–	–	–	–	–	21,699
Total	**259,842**	**204,000**	**876,000**	**–**	**57,600**	**51,225**	**1,448,667**

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration (Cont'd)

The details of Directors' remuneration for the FYE 2026 are as follows: (Cont'd)

Company

Name	Fees (RM)	Allowance (RM)	Salaries (RM)	Bonus (RM)	Other Remuneration (RM)	Benefits-in-kind (RM)	Total (RM)
DYAM Tunku Ismail Ibni Sultan Ibrahim	30,000	–	–	–	–	–	30,000
Lim Chen Herng	30,000	120,000	120,000	–	28,800	3,600	302,400
Lim Chen Thai	30,000	60,000	180,000	–	28,800	–	298,800
Lim Sew Hua	30,000	24,000	576,000	–	–	1,800	631,800
Bernard Hilary Lawrence (resigned on 10 April 2025)	822	–	–	–	–	–	822
Dato' Avinderjit Singh A/L Harjit Singh (resigned on11 July 2025)	8,384	–	–	–	–	–	8,384
Lee Wai Kuen (resigned on 03 December 2025)	20,301	–	–	–	–	–	20,301
Lim Foo Seng (resigned on 03 December 2025)	24,362	–	–	–	–	–	24,362
Kang Hui Ling (appointed on 10 February 2026)	4,932	–	–	–	–	–	4,932
Mohd Salleh Bin Othman (resigned on 19 May 2025)	4,027	–	–	–	–	–	4,027
Liew Voon Keong (appointed on 10 April 2025)	29,260	–	–	–	–	–	29,260
Jasmine Cheong Chi-May (appointed on 19 May 2025)	26,055	–	–	–	–	–	26,055
Lim Ts-Fei (appointed on 11 July 2025)	21,699	–	–	–	–	–	21,699
Total	**259,842**	**204,000**	**876,000**	**–**	**57,600**	**5,400**	**1,402,842**

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

III. Remuneration (Cont'd)

In determining the remuneration of the Group's Key Senior Management, factors considered included their responsibilities, skills, expertise, and contribution to the Group's performance.

Due to the confidential and sensitive nature of remuneration information, and in view of the competitive environment for talent recruitment and retention within the industry, the Board is of the view that disclosure of remuneration for Senior Management (other than the CEO) on a named basis would not be in the best interest of the Group. Accordingly, the Board discloses the remuneration of Senior Management, excluding the CEO, in bands of RM50,000, while the CEO's remuneration is disclosed in full in accordance with Bursa Malaysia's requirements.

The aggregate remuneration (including salary, bonus, benefits-in-kind, and other emoluments) paid to the top five Senior Management, on an unnamed basis and in bands of RM50,000, for the financial year ended 2026, is as follows:

Remuneration Band (RM)	Number of Senior Management
650,001 - 700,000	1
350,001 – 400,000	1
300,001 - 350,000	1
250,001 - 300,000	2

The details of the CEO's remuneration for the FYE 2026 is as follows:

Name	Salary (RM)	Allowance (RM)	Bonus (RM)	Other emoluments (RM)	Benefits- in-kind (RM)	Total (RM)
Heng Hock Lai	378,000	222,000	31,500	25,260	12,500	669,260

IV. Annual Evaluation

The Board, with the support of the NRC, conducts an annual evaluation to assess the performance of each individual Director, as well as the effectiveness of the Board and its Committees.

The assessment is conducted using a combination of self-evaluation and peer review, facilitated through customised questionnaires, and is guided by the best practices outlined in the Corporate Governance Guide (4th Edition) issued by Bursa Malaysia Securities Berhad.

V. Annual Assessment of Independence

The Board recognises the importance of independence and objectivity in its decision-making process. Through the NRC, the Board has assessed the independence of its Independent Non-Executive Directors in accordance with the criteria set out by Bursa Malaysia Securities Berhad.

Based on the assessment, the current Independent Directors of the Company have fulfilled the criteria for "independence".

PRINCIPLE A – BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

VI. Tenure of Independent Directors

Based on this assessment, the Board is satisfied that the current Independent Non-Executive Directors meet the prescribed criteria for independence.

The Board Charter sets a policy limiting the tenure of Independent Directors to a cumulative term of nine (9) years. Exceptions to this policy may be considered, subject to assessment by the NRC and annual approval by shareholders. In such cases, the Board will provide justification and seek shareholders' approval to retain an Independent Director beyond the nine-year tenure.

At the Company's 29th Annual General Meeting, shareholders approved the continuation of Mr. Lim Foo Seng and Mr. Lee Wai Kuen as Independent Non-Executive Directors, notwithstanding that they have served in this capacity for a cumulative period exceeding nine (9) years.

VII. Trainings

The Board recognises the importance of continuous professional development to enhance the skills and knowledge of Directors, enabling them to remain well-informed of evolving laws, regulations, and business environments, and to discharge their duties effectively. During the financial year, the Group organised the following in-house training course for the Directors and Senior Management:-

- "Moderating Anti-Bribery and Corruption Risks, and Corporate Liability Offence under Section 17A of the MACC Act 2009 (Amendment 2018)" on 10 & 14 October 2025 , which was attended by the majority of the Directors.
- "Elevating your Company Bursa ESG rating" on 23 April 2025 which was attended by all the Directors.

In addition, several Directors also participated in various external seminars and training programmes. As at the date of this report, all Directors (including 1 Alternate Director) of the Company have completed the Mandatory Accreditation Programme (MAP II) organised by the Institute of Corporate Directors Malaysia (ICDM).

The Group remains committed to the continuous development of its Directors and will continue to provide relevant training programmes. Directors are also encouraged to proactively enhance their knowledge and skills by attending external courses, trade fairs, seminars, and conferences that are relevant to their roles and responsibilities.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

I. Audit Committee

The Board acknowledges its overall responsibility for maintaining a sound system of internal control and has delegated the review of its adequacy and effectiveness to the AC. The AC comprises Independent Non-Executive Directors, with a Chairman who is distinct from the Chairman of the Board, in line with best corporate governance practices.

During the financial year, five (5) AC meetings were held. During the year, five (5) members resigned and four (4) new members were appointed. Details of the AC's activities are set out in the Audit Committee Report on pages 82 to 89 of this Annual Report.

The AC also held private sessions with the External and Internal Auditors, in the absence of Management, to facilitate open discussions.

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

II. Risk Management Committee ("RMC")

The Board has also established an RMC to oversee the Group's risk management framework. The RMC operates under specific terms of reference approved by the Board. The members of the RMC are the same as those of the AC, although the Committees are chaired by different Directors.

During the financial year, the RMC convened four (4) meetings to deliberate on key risk and the adequacy of risk mitigation strategies.

Further details on the Group's risk management and internal control framework are provided in the Statement on Risk Management and Internal Control on pages 45 to 48 of this Annual Report.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

I. Communication with Stakeholders

The Board recognises the importance of keeping stakeholders informed of all material developments affecting the Company and, therefore, adopts an open and transparent approach in its engagement with stakeholders and investors. The Board ensures the timely release of the Company's quarterly financial results to provide stakeholders with up-to-date insights on the Group's performance and operations.

The Group maintains a corporate website at www.knusford.com.my, which serves as a key communication channel with stakeholders. The website is regularly updated and contains various information, including but not limited to the following:

(a) Announcements submitted to Bursa Securities
(b) Investor Relations section which provides relevant corporate information
(c) General telephone number, fax number and email address

II. Conduct of General Meetings

The Board remains committed to fostering effective communication and engagement with shareholders, and to ensuring that they are well-informed of the Group's performance and strategic direction. General meetings serve as an important platform for shareholders to seek clarification, provide feedback, and engage with the Board on the Group's operations and financial performance.

To facilitate meaningful participation, notices of general meetings are issued in a timely manner, providing shareholders with sufficient time to review the agenda and prepare relevant questions. At each Annual General Meeting ("AGM"), the Board of Directors, including the Chairpersons of the respective Board Committees, together with the External Auditors, are present to address shareholders' queries and provide clarification on matters raised.

At the 29th AGM held on 10 September 2025, the notice of meeting was issued more than 28 days in advance, in line with the recommendations of the Malaysian Code on Corporate Governance 2021 ("MCCG"), to allow shareholders adequate time to consider the resolutions proposed and make informed decisions. The notice also included explanatory notes to provide further clarity on the resolutions to be tabled at the general meeting.

The 29th AGM was held at Hall B, Oriental Star, 2nd Floor, M-S-01, EkoCheras Mall, No 693, Batu 5 Jalan Cheras, 56000 Kuala Lumpur.

PRINCIPLE C – INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

III. Poll Voting

Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, all resolutions set out in the notice of a general meeting, or in any notice of resolution which may properly be moved at a general meeting, are voted by way of poll.

An independent scrutineer is appointed to validate the votes cast, while a Poll Administrator is appointed to conduct the polling process at the general meeting. The poll results are duly announced to Bursa Malaysia Securities Berhad on the same day for the benefit of shareholders.

Corporate Disclosure Policy and Procedures

The Company is committed to upholding high standards of transparency, accountability, and integrity in the disclosure of material information to the investing public. All disclosures are made in an accurate, clear, and timely manner, in accordance with the corporate disclosure requirements set out in the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, as well as the guidance provided in the Corporate Disclosure Guide issued by Bursa Malaysia Securities Berhad.

The Board ensures that the Company complies with all applicable disclosure requirements. To further enhance accessibility of information, the Company maintains a corporate website at www.knusford.com.my, where shareholders and the public can access relevant corporate and financial information of the Company.

Compliance Statement

The Board has reviewed this CGOS and is satisfied that, for the financial year ended 2026, the Company has applied the principles and adopted the best practices of the MCCG, except for the departures disclosed below and in the CG Report 2026.

SUMMARY OF CORPORATE GOVERNANCE PRACTICES

The Board is pleased to report that during the financial year; the Company has applied and adopted 39 of the 48 Practices (43 Practices and 5 Step-Ups) encapsulated in the 3 Principles of MCCG. The breakdown of the status of application by Principle is provided below:

Principle	Practice			Step-up	
	Applied	Departure	Not Applicable	Adopted	Not Adopted
A - Board Leadership and Effectiveness	24	3	–	–	3
B - Effective Audit and Risk Management	8	–	–	2	–
C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders	5	2	1	–	–
Total	**37**	**5**	**1**	**2**	**3**

SUMMARY OF CORPORATE GOVERNANCE PRACTICES (CONT'D)

The summary of the 5 departed Practices are as follows:

Principle	Practice	Gap Summary
A - Board Leadership and Effectiveness	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.	The Board takes cognizant of the importance of embedding ESG considerations and sustainability measures into the Board's and Senior Management's performance to ensure accountability against the sustainability targets. The performance evaluation of the Board in addressing the Company's material sustainability was evaluated through the annual Board's Evaluation. Sustainability-related considerations were not incorporated into Senior Management's performance evaluation framework. The Company intends to progressively develop appropriate metrics for assessing performance against sustainability targets, with a view to incorporating sustainability considerations into Senior Management's Key Performance Indicators ("KPIs") in the future.
A - Board Leadership and Effectiveness	5.10 The Board discloses in its Annual Report the Company's policy on gender diversity for the Board and Senior Management.	The Board and the Senior Management do not have specific policy on gender diversity issues.
A - Board Leadership and Effectiveness	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.	The Board is of the view that the disclosure of the detailed remuneration components of Senior Management may not be in the best interest of the Group, given the competitive environment for talent recruitment and retention in the industry in which the Group operates. In view of the confidentiality of the remuneration package of the Group's Senior Management, the Board has adopted a practice of disclosing Senior Management remuneration in bands of RM 50,000, except for the CEO.

SUMMARY OF CORPORATE GOVERNANCE PRACTICES (CONT'D)

The summary of the 5 departed Practices are as follows (Cont'd):

Principle	Practice	Gap Summary
C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders	13.2 All Directors attend General Meetings. The Chair of the AC, NRC, RMC and other Committees provide meaningful response to questions addressed to them.	7 out of 9 Directors were in attendance at the 29th AGM held on 10 September 2025. The Chairman and Ms. Lim Ts-Fei were absent with apologies. The proceedings of the AGM included the presentation of financial statements to the shareholders, and a question and answer session in which the Chairman of the AGM would invite shareholders to raise questions on the Company's financial statements and other items for adoption at the AGM, before putting a resolution to vote. The Chairman of the Board Committees are also readily available to address questions posted by the shareholders at the AGM.
C - Integrity in Corporate Reporting and Meaningful Relationship With Stakeholders	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.	The 29th Annual General Meeting ("AGM") of the Company, held on 10 September 2025, was conducted physically at Hall B, Oriental Star, 2nd Floor, M-S-01, EkoCheras Mall, No. 693, Batu 5, Jalan Cheras, 56000 Kuala Lumpur. The Company did not facilitate remote shareholders' participation or voting in absentia for the AGM. The Board will continue to assess the suitability of leveraging technology to enhance shareholder participation at future general meetings, taking into consideration the Group's circumstances.

Further information about the Company's corporate governance practices, in the form of the CG Report, is available on the Company's website.
This CGOS was approved by the Board of Directors on 24 July 2026.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to Paragraph 15.26(b) of the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies, the Board of Directors ("the Board") of Knusford Berhad is pleased to present this Statement on the state of the Group's risk management and internal control system for the financial year ended 31 March 2026 ("FYE 2026").

BOARD'S RESPONSIBILITY AND LIMITATION

The Board acknowledges its overall responsibility for maintaining a sound system of risk management and internal control to safeguard shareholders' investments and the Group's assets. However, due to the inherent limitations in any risk management and internal control system, such systems are designed to manage, rather than eliminate, risks that may impede the achievement of the Group's business objectives. Accordingly, the system can provide only reasonable, and not absolute, assurance against material misstatements, losses or errors.

The Group's risk management and internal control processes do not extend to jointly controlled entities and associates where the Group does not have full management control. The Group's interests in these entities are safeguarded through Board representation.

The Board has delegated its review and oversight responsibilities to the Audit Committee ("AC") and the Risk Management Committee ("RMC"). Notwithstanding this delegation, the Board remains fully responsible for the actions of these committees and the disclosures made in this Annual Report.

Management is responsible for implementing and maintaining effective risk management and internal control processes, while the AC, RMC and internal audit function provide oversight and independent assurance.

RISK MANAGEMENT FRAMEWORK

The Board recognises that effective risk management is an integral part of the Group's daily operations. The Group's risk management framework is guided by ISO 31000:2018 Risk Management – Guidelines.

The key elements of the risk management process include:

- Identification of key internal and external risks;
- Identification and evaluation of existing controls;
- Risk rating based on likelihood and impact, taking into account existing controls;
- Determination of risk treatment and development of mitigation plans; and
- Ongoing monitoring and updating of the Group's Key Risk Profile ("KRP").

During FYE 2026, with the facilitation of Messrs Resolve IR Sdn. Bhd., the Group undertook the following activities:

- Review of risk impact and likelihood parameters on a half-yearly basis;
- Two (2) risk assessment meetings with Senior Management to update the KRP;
- Consideration of appropriate mitigation plans for significant risks; and
- Half-yearly update of the Group's KRP.

RISK MANAGEMENT FRAMEWORK (CONT'D)

The outcomes of the risk assessments were reported to and deliberated at the RMC meetings held on 28 August 2025 and 25 February 2026. Key operational risks identified during the year included:

No.	Key Risk	Mitigation Plan
1	Challenges in growing construction order book	• Management is proactively participating in tenders to increase order book.
2	Liquidity risk	• Taking proactive measures i.e. keeping operation costs at a manageable level to sustain operation. • Closely follow up on collection. • Focus on monetising unsold completed inventory and/ or property to improve the Group's liquidity.
3	Credit risk	• Closely follow up with customers by having periodic meetings to discuss the strategies for settling the long outstanding payments.

Appropriate mitigation measures have been implemented and are continuously monitored by Management and the Board.

The Board and Management ensure that risks are managed within acceptable risk tolerance levels aligned with the Group's strategic objectives. The Group continues to monitor emerging risks, including economic, regulatory, environmental, social and technological developments that may impact its operations and business sustainability.

INTERNAL CONTROL SYSTEM

The key features of the internal control system are as follows:

- Organisation Structure & Authorisation Procedures

  A defined organisational structure outlines clear roles and responsibilities for planning, execution, control and monitoring of operations.

- Operating Policies

  Standard operating policies are established to govern business processes and provide guidance to employees.

- Code of Conduct and Ethics

  A Code of Conduct and Ethics for Directors and Senior Management promotes integrity and accountability. The Code is available on the Company's website under Investor Relations → Corporate Governance.

- Monitoring and Review

  Monthly management accounts are prepared for management review, while quarterly financial results and operational performance reports are presented to the AC and the Board to monitor performance against business objectives.

  The Group has implemented a budgeting process, approved by the Board, to monitor performance and provide forward-looking guidance. Key Performance Indicators are set for Senior Management to monitor performance and ensure satisfactory results.

INTERNAL CONTROL SYSTEM (CONT'D)

The key features of the internal control system are as follows (Cont'd):

- Anti-Bribery & Anti-Corruption ("ABAC") Policy

  The Anti-Bribery & Anti-Corruption (ABAC) Policy provides guidance to the Group's associated persons on ethical business conduct and sets clear standards to prevent bribery in relation to gifts, hospitality, entertainment, sponsorships, and donations.

- Whistleblowing Policy

  The Whistleblowing Policy provides a channel for reporting improper conduct while ensuring protection for whistleblowers. The Group is committed to transparency and accountability in its business practices.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to Messrs Resolve IR Sdn. Bhd., which reports functionally to the AC. The internal audit function provides independent assurance on the adequacy and effectiveness of the Group's risk management and internal control systems.

Internal audits are conducted based on a risk-based audit plan approved by the AC. Audit findings and Management's responses are presented to the AC, and follow-up reviews are conducted to ensure implementation of agreed action plans.

Any control weaknesses identified during the year have been addressed or are in the process of being addressed by Management.

During the financial year, the entities and business processes reviewed were as follows:

Entity	Business Processes
Group Wide	Review of Recurrent Related Party Transactions Procedures
Group Wide	Information Technology
Knusford Construction Sdn Bhd and Knusford Landscape Sdn Bhd	Tender and Procurement

The internal audit reviews conducted during the financial year identified certain control weaknesses. Management has taken, or is in the process of taking, appropriate remedial actions to address these weaknesses.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, *Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control* included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the financial year ended 31 March 2026 and reported to the Board of Directors that nothing has come to their attention that causes them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

a) has not been prepared in accordance with the disclosures required by section 7 of the Statement on Risk Management and Internal Control: Guideines for Directors of Listed Companies, or
b) Is factually inaccurate.

REVIEW OF STATEMENT BY EXTERNAL AUDITORS (CONT'D)

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

BOARD ASSURANCE

Based on the work performed and reports submitted by the internal auditors, the Board is satisfied that the Group's risk management and internal control systems for the financial year under review and up to the date of this Statement are adequate and effective to safeguard the interests of shareholders, the Group's assets, and other stakeholders. The Board has considered and approved the recommendations of the AC and RMC and will continue to monitor major risks and take measures to maintain and enhance the effectiveness of these systems.

The Board is satisfied that the Group has in place an ongoing process for identifying, evaluating and managing significant risks faced by the Group, and that the system of risk management and internal control is adequate and effective to support the achievement of the Group's business objectives.

The Board has received assurance from the Executive Director and Chief Financial Officer that, to the best of their knowledge, the Group's risk management and internal control systems have operated adequately and effectively, in all material respects, throughout FYE 2026.

For the financial year under review, no material internal control weaknesses were identified that have resulted in material losses, contingencies or uncertainties requiring disclosure in this Annual Report.

This Statement was approved by the Board of Directors on 24 July 2026.

SUSTAINABILITY AT KNUSFORD BERHAD

The financial year ended 31 March 2026 ("FYE 2026") has been challenging for Knusford Berhad ("KB" or "Knusford" or "the Company") and its subsidiaries ("the Group") due to persistent inflationary pressures, rising labour and construction material costs, and a progressively shrinking order book. Despite these challenges, the Group remains committed to ensure high standards of governance across all operations. This includes promoting responsible business practices, minimizing environmental impact through resource efficiency, waste reduction, and sustainable sourcing, fostering a safe and supportive workplace, and addressing the social needs of our communities.

The Board of Directors ("the Board") continues to play an integral role in overseeing sustainability matters, embedding these considerations into the Group's corporate governance and risk management framework.

The Scope of the Sustainability Statement

The scope of this report is limited to the sustainability impact of business operations and initiatives of the Group in Malaysia, excluding out the joint ventures in Malaysia.

Reporting Guidelines

This Statement has been prepared in accordance with Bursa Malaysia Securities Berhad's ("Bursa Securities") Main Market Listing Requirements, with reference to Bursa Securities Sustainability Reporting Guide (3rd Edition) and Illustrative Sustainability Reporting, Bursa Securities.

Reporting Period

This Statement covers the period from 1 April 2025 to 31 March 2026. Where available, historical data from the previous financial years ("FYE 2025 and FYE 2024") have been included to provide a basis for comparison.

Limitations

KB remains aware of certain data collection challenges persisting for certain indicators. The Group is constantly working to apply stronger data tracking and gathering systems to improve its reporting going forward.

Assurance

Financial data for this Statement has been audited and assured by the Group's external auditors, KPMG PLT. While non-financial data has not been assured in this Statement.

Sustainability Governance Structure

The Board retains overall accountability for sustainability-related matters, including climate-related risks and opportunities affecting the Group. Sustainability matters are overseen within the Group's existing corporate governance structure through the Board, the Risk Management Committee ("RMC") and the Sustainability Working Committee.

The Group currently identifies and discusses sustainability-related risks at management level through the SWC, with oversight by the RMC and the Board. The RMC oversees the identification, assessment, and management of sustainability-related risks and report to the Board at least twice per year.

Sustainability Working Committee ("SWC")

The SWC, chaired by the Executive Director/Chief Executive Officer, comprises the Chief Financial Officer and Heads of Departments. The SWC meets at least half yearly and escalates material sustainability matters to the RMC and Board where necessary.

Management remuneration is not currently linked to specific Environmental, Social, and Governance ("ESG") metrics. The Board will progressively evaluate the appropriateness of incorporating sustainability-related performance indicators in future.

The Board is responsible for:

- Reviewing the effectiveness of KB's strategies, policies, principles and practices relating to sustainability, including whether these strategies, policies, principles and practices promote the Group's sustainability agenda.
- Approving the Group's Sustainability Reporting.

The roles of RMC:

- Advising the Board and recommending to it, business strategies in the area of sustainability.
- Monitoring the implementation of sustainability strategies as approved by the Board.
- Recommending sustainability related policies to the Board for adoption, and monitoring the implementation of such policies.
- Recommending approval of sustainability matters to the Board.
- Overseeing the overall management of stakeholder engagement, including ensuring grievance mechanisms are in place.
- Overseeing the management of sustainability matters, with particular focus on matters material to the organisation; and
- Overseeing the preparation of sustainability disclosure as required by laws and /or rules, and recommending it for the Board's approval.

SWC

The SWC is responsible for:

- Developing the sustainability vision, strategy and linkage to long-term business strategies.
- Advising the RMC on strategies in the area of sustainability and seeking Board endorsement on sustainability matters.
- Identifying sustainability risks and opportunities.
- Originating policy and initiatives to manage sustainability risks and opportunities.
- Overseeing the implementation of policies and initiatives including setting targets for initiatives, assessing effectiveness etc.
- Identifying and implementing the stakeholder engagement process.
- Identifying material sustainability topics.
- Monitoring ESG metrics and performance.
- Coordinating data collection and reporting.
- Reviewing climate-related operational risks.

Materiality Assessment

A formal assessment process was conducted by the SWC to determine which topics matter most to our business and our stakeholders. The process was led by the CEO. During the analysis, the SWC has identified a potential list of sustainability matters which are relevant for the Group. These were identified by the SWC as matters which reflect the Group's significant Environmental, Social and Governance ("ESG") impacts.

Below is the process in determining our material topics:

- **Assessing and identifying relevant topics**

  Reviewed the Company's priorities and risks in order to identify the issues that are applicable to us.

- **Determining boundaries for relevant topics**

  The boundaries for relevant topics both within and outside the Group were identified and the disclosures are focused on the impact that occurs within the Group.

- **Prioritisation**

  During SWC meetings, members are encouraged to provide their inputs. This process takes into account the influence of stakeholders' assessments and decisions as well as the significance of ESG impacts.

- **Validation of the material topics**

  The materiality sustainability topics were deliberated during the SWC meetings, validated by its members, recommended and supported by the RMC.

Stakeholder Engagement

The Group engages regularly with stakeholders through various communication platforms, fostering meaningful dialogue to understand their perspectives on ESG aspects relevant to our business. This proactive approach enables the Group to better address stakeholder needs and deliver sustainable value.

No.	Stakeholder Group	Stakeholder Engagement Method
1.	Employees	• Workshop & training • On-site work safety related talks • Internal meeting & dialogue section • Internal memo & emails • On-boarding induction
2.	Customers/Clients	• Daily customer engagement, by phone calls & emails • Meeting • Website
3.	Suppliers and Contractors	• Project update & meeting • Phone calls & emails • Invitation to tender & tender interview • Supplier/Contractor evaluation

No.	Stakeholder Group	Stakeholder Engagement Method
4.	Shareholders, Investors and Bankers	• Quarterly financial results announcements • Corporate announcement as and when required • Corporate web-site • Annual General Meeting • Annual report • Meeting • Phone calls & emails • Website
5.	Local Communities	• Donations and philanthropic activities • Meeting as and when required • Phone calls & emails • Website

Material matter addressed/Key focus areas

The material sustainability matters are determined by considering both the perspectives of KB's business priorities and the expectations of its stakeholders.

The goal of our materiality assessment is to determine which sustainability matters are most relevant and significant to our business and stakeholders, helping us to focus our efforts on addressing the key sustainability matters.

Sound Governance	Sustainability Operation	Workforce Management	Protecting the Environment
- Business ethic and compliance - Anti-Bribery and Anti-Corruption - Data privacy and security	- Customer satisfaction - Supply chain management - Economic performance - Community/ Society	- Health and safety - Diversity - Labour practices and standard	- Energy management - Water management - Waste management - Emissions management

Key Sustainability Pillars

The Group's sustainability approach is guided by four key pillars which reflect the ESG priorities most relevant to our business operations and stakeholders. These pillars form the foundation of our sustainability framework and guide the Group in managing ESG-related risks and opportunities.

The Group continues to adopt the sustainability reporting approach in line with the requirements of Bursa Malaysia, while progressively enhancing its disclosures and practices to align with the principles of MFRS S1 and MFRS S2 issued by the Malaysian Accounting Standards Board.

Sound Governance

Sound governance ensures that the Group conducts its business ethically, transparently, and in compliance with applicable laws and regulations. It encompasses the roles and responsibilities of the Board of Directors, management and employees in upholding strong governance practices across the organisation.

Strong governance is fundamental to maintaining stakeholder confidence. Ethical leadership promotes integrity in decision-making and ensures that the interests of stakeholders are considered in the Group's business strategies. Transparency and accountability support effective communication with investors, customers and employees by providing clear and reliable information regarding the Group's performance and operations.

In addition, effective risk management practices enable the Group to identify, assess and manage potential risks in a timely manner, thereby safeguarding business continuity and long-term sustainability.

Sustainable Operations

Sustainable operations focus on conducting the Group's business activities in a responsible, socially beneficial and economically viable manner. The Group strives to maintain operational efficiency while ensuring that its activities contribute positively to society and the broader economy.

By embedding responsible business practices into its operations, the Group aims to strengthen its reputation, enhance stakeholder trust, and maintain long-term competitiveness. Sustainable operational practices also support regulatory compliance and help the Group respond effectively to evolving market expectations and industry developments.

Workforce Management

The Group recognises that its employees are key to its long-term success. Workforce management encompasses strategies and practices aimed at attracting, developing and retaining a competent and committed workforce.

The Group seeks to foster a positive and inclusive workplace environment that supports employee engagement, professional development and well-being. A diverse and skilled workforce contributes new ideas, enhances innovation and supports the continued growth of the Group.

In addition, the Group remains committed to fair labour practices and compliance with applicable employment laws and regulations, thereby promoting a responsible and respectful working environment for all employees.

Protecting the Environment

The Group is committed to minimising the environmental impact of its operations by adopting responsible environmental management practices. These include initiatives aimed at improving resource efficiency, reducing waste generation and managing environmental risks at operational sites.

Environmental responsibility not only ensures compliance with environmental laws and regulations but also contributes to the protection of natural ecosystems and the well-being of surrounding communities. By reducing its environmental footprint, the Group supports broader efforts to conserve natural resources and address climate-related challenges.

In addition, improved energy efficiency and responsible resource management can contribute to operational cost savings while supporting the Group's long-term sustainability objectives.

MATERIALITY MATRIX

The below matrix displays the ESG issues that were deemed most material to the Group and our stakeholders. The issues situated on the top right-hand quadrant are those of the highest significance to both the Group and stakeholders.

		Significant of Group's Sustainability Matters		
		Low (Not so important)	**Medium**	**High** (Important)
Influence on Stakeholder Assessment	**High**		• Workforce management • Energy management and efficiency • Waste management	• Safety and health • Quality and reliability of products and services • On-time project delivery • Business ethics & compliance • Sustainability performance • Good procurement practices • Supply chain management • Sub-contractor management • Environmental compliance (dust, noise, site environmental management)
	Medium		• Learning & development • Responsible marketing • Data Privacy & Security	
	Low	CSR		

Sound Governance

Business ethic and regulatory compliance

The Group is committed to practising high standards of corporate governance and to have sustainable and responsible business practices emphasising integrity, sound business ethics and trustworthy conduct. We also commit to comply with relevant business rules, regulations and guidelines and to engage stakeholders in a responsible, fair and reasonable manner.

The Board has formulated ethical standards through a Code of Conduct and Ethics for the Directors, Senior Management and all employees and will ensure its compliance. It is available at the Company's website, www.knusford.com.my for reference.

We take compliance seriously and aim to comply with relevant regulatory requirements governing the ESG dimensions. Our goal is to maintain the current status of zero legal non-compliance. We have also put in place a whistleblowing channel for all stakeholders to report any instances of corruption, bribery, suspicious activity or wrongdoing which may lead to bribery.

Indicator	FYE 2026	FYE 2025	FYE 2024
Confirmed incidents of non-compliance with laws and regulations. (number)	Zero case	Zero case	Zero case
Confirmed legal case related to fraud bought against the Group nor have there been such incidents in which employees were dismissed or disciplined for fraud or corruption. (number)	Zero case	Zero case	Zero case
Fine or non-monetary sanctions imposed on the Group (RM)	Nil	Nil	Nil

Anti-Bribery and Anti-Corruption

The Group has adopted an Anti-Bribery and Anti-Corruption Policy ("ABAC Policy") to prevent any act of bribery and corruption in the workplace. The ABAC Policy, along with other related policies and procedures, are communicated to directors, employees and other business associates through various platforms, including training sessions, briefings, email transmissions and the official Group website.

An annual assessment will be conducted to identify the potential business divisions or departments with higher inherent risk exposures to bribery and corruption. Periodic audits will be carried out to ensure compliance to Knusford's ABAC policies and procedures by business units and verify the adequacy and effectiveness of these policies against bribery and corruption in business conduct.

Our target is zero incidents of violation against the Group's ABAC Policy. The full ABAC Policy can be found on our official website at www.knusford.com.my.

Corruption-related training

Anti-Corruption trainings and briefings at KB was made available to all the Board members, Senior Management personnel and employees during the FYE 2026. 7 out of 9 Board members attended the training.

The Group engaged a consultancy firm to host a refresher seminar on Anti-Corruption for its employees, a total of 74 employees from the Group attended the seminar. KB also reminds and educates its employees from time to time about Anti-Corruption best practices via the Management team, supervisors and HODs.

Anti-corruption Training attended based on Employee Category	FYE 2026 (% and number)	FYE 2025 (% and number)	FYE 2024 (% and number)
Management	91% (20)	93% (26)	90% (27)
Executive	100% (29)	100% (33)	100% (40)
Non-executive / Technical staff	53% (24)	39% (19)	100% (58)
General workers	100% (1)	0% (0)	100% (1)

Our target is to achieve at least 90% attendance of employees for training in Anti-Corruption.

Corruption risk assessment

KB conducted an internal corruption risk assessment annually, encompassing 100% of the Group's ongoing business operations. During this assessment, KB identified the following departments within the Group for corruption related risks:

- Business Development
- Procurement & Contract Management
- Project Management / Government Liaison
- Human Resources / Finance

Indicator	FYE 2026	FYE 2025	FYE 2024
Percentage of operations assessed for corruption-related risks	100%	100%	100%

Our target is for all operations to be assessed for corruption-related risks.

Corruption incidents

Indicator	FYE 2026	FYE 2025	FYE 2024
Confirmed incidents of corruption and action taken (number)	Nil	Nil	Nil

In FYE 2026, there was no bribery and corruption case reported. None of our employees was disciplined or dismissed for violating the Group's policies. Our target is to maintain zero incident of corruption in FYE 2026 and in the long term.

Periodic audits were also carried out to ensure compliance to the Group's ABAC policy and procedures by business segments and to ascertain that these policies continue to be adequate and effective against bribery and corrupt activities in the conduct of business.

Data privacy and security

Our customers entrust us with their sensitive information, and we are committed to treating the personal data of every client with care and respect by upholding their rights regarding the collection, use, access, and disclosure of their personal data. We are constantly evaluating ways to deliver better service to customers while respecting their privacy rights and securing information in accordance with the Group's policies.

The Group adheres to the Personal Data Protection Act 2010, ensuring strict confidentiality of private information.

In FYE 2026, we maintained our record of zero substantiated complaints regarding breaches of customer privacy or data loss.

Indicator	FYE 2026	FYE 2025	FYE 2024
Confirmed incidents of substantiated complaints concerning breaches of customer privacy and losses of customer data have been received and appropriate action taken (number)	Nil	Nil	Nil

Our target is zero breaches of the Data Privacy and Security policy.

Sustainability Operations

Customer satisfaction

Customer satisfaction is essential to upholding our reputation and ensuring business continuity. We strive to deliver high-quality and reliable products, along with high standards of workmanship, to meet our customers' rising expectations.

Our construction division, Knusford Construction Sdn. Bhd. is certified with ISO 9001:2015 (Quality Management System) standards.

The Group places the quality of its products and services, as well as timeliness in delivery, as its top priorities. The Group believes that delivering value in its work enhances customer confidence, which helps attract, retain, and grow our customer base.

In FYE 2026 and FYE 2025, all the complaints received by our trading division with regard to on-time delivery and product quality, were responded within 48 hours and resolved within 14 working days. We will continuously strive to maintain or improve our current performance.

The Group also emphasises timely delivery of its projects, which helps to garner customers' trust in the Group's construction work projects. Nevertheless, projects may sometimes face various challenges that affect work progress, such as changes in technical designs by clients, unfavourable weather conditions, non-availability of general workers, and material shortages during the year.

No Liquidated Ascertained Damages ("LAD") were imposed by any client in FYE 2026 and the past 2 financial years. Management will continue to take mitigation measures on each project to avoid or minimise any potential LAD in the future.

Indicator	FYE 2026	FYE 2025	FYE 2024
LAD imposed by client (RM)	Nil	Nil	Nil

Supply chain management

The Group is committed to the highest standards of ethical conduct and social responsibility. Our objectives include practising responsible sourcing of products and services and supporting the local economy by procuring goods from local suppliers. Throughout our operating history, our procurement practices have been fair and consistent, allowing suppliers to engage with us impartially while fulfilling our requirements.

Our supply chain consists of multiple small and medium-sized businesses that support us with product sales, customer support and product delivery. We maintain a wide range of suppliers to minimise concentration and dependency risks, ensuring the consistency of supplies and competitions in pricing of our building materials costs.

Our priority is to procure from local suppliers unless otherwise specified by the client or when local suppliers cannot meet specified product or service requirements. The Group strongly supports local procurement as it results in decreased logistical costs compared to foreign procurement. Relying less on foreign procurement also reduces the use of fossil fuels. Socioeconomically, increased reliance on local procurement creates more jobs and benefits local communities. For our construction operations, essential supplies such as concrete, reinforcement bars, common clay bricks, timber, crusher run, and quarry dust are locally sourced.

On the whole, by sourcing locally, we support business communities, reduce costs, and lower the carbon footprint in the business ecosystem.

In FYE2026, we have expended 100% to local Companies.

Indicator	FYE 2026	FYE 2025	FYE 2024
Proportion of spending on local suppliers (%)	100%	100%	100%

Our target is to allocate more than 80% of the total procurement budget to local suppliers.

Economic performance

The Group is committed to improve its financial position and enhancing its competitiveness through adopting good and ethical business practices, selective tender with appropriate profit margin as well as cautious cost management.

The Group's financial performance highlights for FYE 2026 and its comparatives for the previous financial years are as follows: -

Indicator	FYE 2026 RM (million)	FYE 2025 RM (million)	FYE 2024 RM (million)
Revenue	37.57	80.48	148.80
(Loss)/Profit Before Tax	(11.72)	11.92	13.63
Net Assets Per Share (RM)	2.28	2.40	2.29

For more information on the Group's financial performance, please refer to the Group Five-Year Financial Highlights on page 12 and management discussion and analysis on page 24 to 27 of the Annual Report 2026.

Community/society

We are cognizant of our societal responsibility, and our social engagement extends to sharing our knowledge and professional skills. The Group participates in the Professional Training and Education for Growing Entrepreneurs (PROTÉGÉ) program. This initiative offers entrepreneurial and marketplace training to guide and develop youths, in collaboration with industry experts. The aim is to foster more competitive and job-ready marketers, as well as skilled job seekers, to meet the current industry demands. The Group fulfilled its contractual obligation under the PROTÉGÉ programme by recruiting a total of 51 protégés during the contract (FYE 2025: 51; FYE 2024: 48). Following the completion of the programme, about 18 % of the protégés were offered contract employment with the Group.

The Group remains committed to contributing to the well-being of the communities in which it operates through charitable and community support initiatives. As part of this commitment, the Group provides financial and in-kind assistance to charitable organisations whose activities contribute to social welfare and community development.

During FYE 2026, the Group contributed a total of RM25,200 in cash and in-kind donations to three charitable organisation (FYE 2025: RM75,000 to 1 organisation; FYE 2024: RM50,200 to 2 organisations. A significant portion of the Group's charitable contribution was channelled to a cancer-related foundation in support of its ongoing charitable and community initiatives. Through these contributions, the Group seeks to support meaningful community initiatives and contribute, within its means, to the welfare of society.

In support of these efforts, the Group encourages employees to actively participate in community and well-being initiatives organised by external parties and community organisations. During the financial year, a number of the Group's employees participated in health screening programmes and fire safety workshops organised by the relevant organisations.

These programmes helped to promote health awareness, enhance safety knowledge and encourage a culture of well-being and preparedness among employees. The Group will continue to encourage staff participation in activities that contribute positively to both the community and the workplace environment.

The Group also encourage employees to participate in community projects through volunteer programs and corporate social responsibility (CSR) initiatives.

Indicator	FYE 2026	FYE 2025	FYE 2024
Amount invested in the community (RM)	25,200	75,000	50,200
Beneficiaries of the investment in the community (Number)	3	1	2
Employees participated in community impact programmes (Number)	44	Information not available	Information not available
Total hours spent on community impact programmes (Hours)	97	Information not available	Information not available

Workforce Management

Health and safety

The Group is fully committed to ensuring that its operations are managed in a safe and healthy manner to protect the life and health of all its employees and the surrounding community. This commitment also serves to safeguard the Company's assets, ensuring business continuity and fostering public trust.

At KB, we firmly believe that our employees should return home safely and in good health at the end of each working day. Compliance with health and safety regulations is a top priority. Therefore, when our employees, business partners, suppliers and contractors work on-site, they must use appropriate Personal Protection Equipment ("PPE") and adhere to additional health and safety measures to minimise occupational hazards and risks in the workplace.

We aim to establish a "Safety First" culture in the Group, where training, coaching, and recognition play critical roles in continually encouraging a culture of safety. We promote an open dialogue with our employees and contractors to instil a sense of responsibility for their safety and that of the others. Regular safety briefings, addressing major known risk, are conducted at project sites to embed Occupational Safety and Health as a culture and behaviour in our daily work.

Work-related fatality and health and safety training	FYE 2026	FYE 2025	FYE 2024
Work related fatality (Number)	Nil	Nil	Nil
Loss time-incident rate (%)	zero	zero	zero
Number of employees were trained on health and safety standards (Number)	34	39	38
Total hours worked	202,419	202,003	231,158
Number of lost time injuries	zero	zero	zero

As a responsible organisation, the Group maintains a no-compromise approach to the management of health and safety at all operational sites. Our target is zero incidents of fatality reported at site.

Diversity

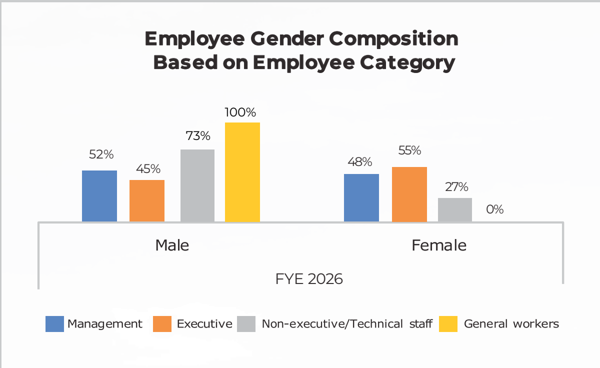
The Board comprises 8 members and 1 alternate director, out of which 4 are Independent Non-Executive Directors ("INED"). The Chairman is a Non-Independent Non-Executive Director. The Board is supportive of gender diversity policy. In its selection of Board members, the Board provides equal opportunity to all candidates who meet the criteria in relation to the Group's present business portfolio.

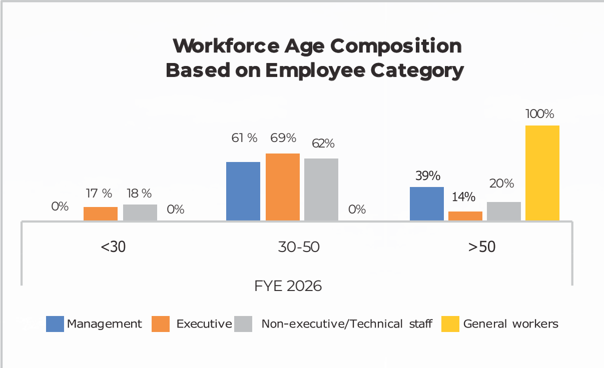
As of FYE 2026, the Group has 4 females out of 8 Board members and 1 alternate director.

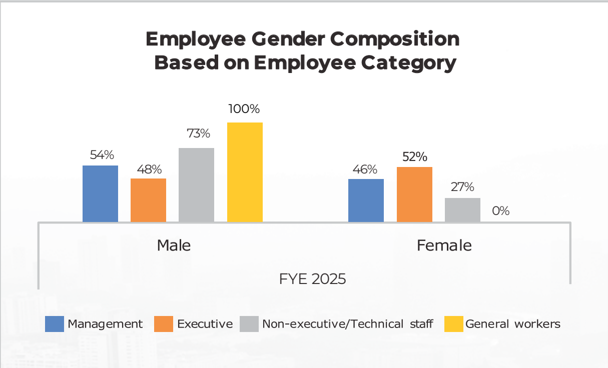
Percentage/number of Directors, by gender and age group	FYE 2026	FYE 2025	FYE 2024
Male	50% (4)	89% (8)	89% (8)
Female	50% (4)	11% (1)	11% (1)
Under age 30	0% (0)	0% (0)	0% (0)
Between age 30-50	50% (4)	33% (3)	33% (3)
Above age 50	50% (4)	67% (6)	67% (6)

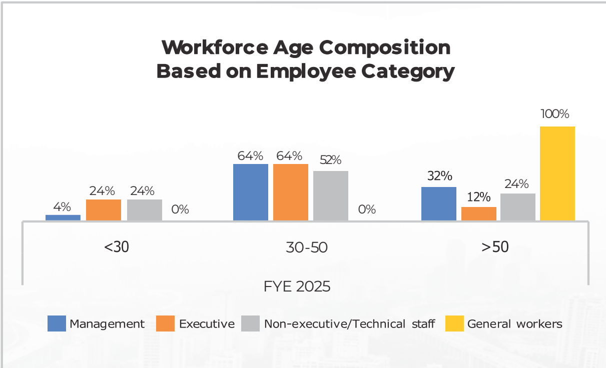
At KB, we are committed to maintaining a workplace free from discrimination. We uphold equality for all employees, ensuring that no one is treated unfairly based on race, age, gender, religion, marital status, ethnicity, physical impairments, political beliefs, or nationality. While the Construction segment typically has a predominantly male workforce due to the nature of the work, we strive to foster an inclusive environment that values diversity and supports all individuals in their roles.

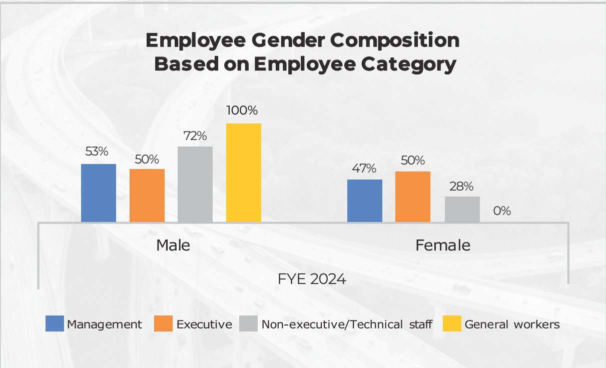
The gender profile by age and employee category as of FYE 2026, FYE 2025 and FYE 2024 are summarised as follows.

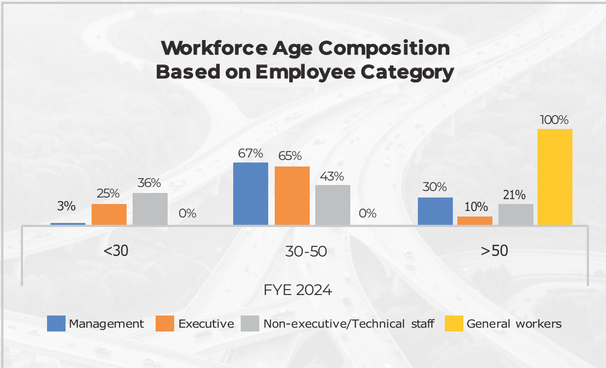












Labour practices and standards

- **Talent management**

  The Group believes that competent employees are crucial to the continued growth and success of the business. The Group seeks to develop employees by providing training and development opportunities to enhance their knowledge, sharpen their skills and broaden their work experience and exposure.

  Training and professional development opportunities are provided based on an as-needed basis identified by Head of Department, to address competency gaps in employees or to meet organisational requirements. Training requests can also be made informally by employees as and when they identify programmes or courses that they feel is relevant to their jobs or continued professional development.

Employee training hours

Total training hours by employee category (hours)	FYE 2026	FYE 2025	FYE 2024
Management	649	627	710
Executive	654	620	498
Non-executive/Technical staff	268	600	574
General workers	4	0	4
Total training hours	1,575	1,847	1,786
Average training hour per employee	16	16	14
Training hours per employee at managerial level	Ranged from 2 to 14	Ranged from 2 to 16	Ranged from 4 to 8

Our target for training is not less than 8 training hours annually for employees at managerial level and above.

- **Our hiring and onboarding**

  Our hiring process is designed to select employees who are not only exceptional professionals but also contribute to long-term success by maximising revenues, reducing the cost of doing business, lowering rehiring costs, and improving company performance. We aim to recruit individuals who are technically competent and possess the right attitudes.

New hires and new hire rate	FYE 2026	FYE 2025	FYE 2024
Total new hires (number)	22	43	52
New hire rate (%)	22%	39%	40%

- **Employee retention**

  Employees' benefits are provided in accordance with the Employment Act 1995 and the Minimum Wages Order 2024, ensuring compliance with applicable labour regulations. The Group also reviews its remuneration package periodically to remain competitive and support talent retention and attraction. In addition, the Group has developed an employee handbook that outlines key workplace policies and procedures, serving as a guide to promote regulatory compliance, set clear expectations, ensure consistency in practices, and support the effective functioning of the organisation.

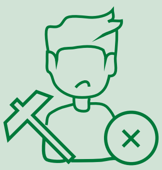
Total number of employee turnover by employee category (number)	FYE 2026	FYE 2025	FYE 2024
Management	2	1	3
Executive	6	3	17
Non-executive/Technical staff	18	6	38
General workers	0	0	0
Total number	26	10	58
Turnover rate- %	27%	9%	45%

Indicator	FYE 2026	FYE 2025	FYE 2024
Percentage/number of employees, that are contractors or temporary staff (% /number)	49% (48)	47% (52)	47% (61)

- **Human Rights**

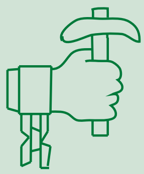
  Human rights are the language of the people, guided by the principles of dignity, justice, equality, and respect. We are committed to protecting human rights at our office and sites, by preventing child labour, harassment, and forced or involuntary labour. KB maintains zero tolerance for any form of discrimination and takes proactive corrective measures against employees breaching human rights.

Indicator	Target	FYE 2026	FYE 2025	FYE 2024
Number of substantiated complaints concerning human rights violations (number)	Nil	Nil	Nil	Nil



0 Cases
of Child Labour

0 Cases
of Discrimination



0 Cases
Involuntary/ Forced Labour

0 Cases
of Sexual Harassment cases

Protecting the Environment

The Group is committed to implementing responsible environmental practices to mitigate both the direct and indirect environmental impacts arising from its business and construction site operations.

During project execution, the Group strives to comply with all applicable environmental protection requirements. Environmental Best Management Practices ("BMPs") are implemented at project sites to manage operational activities and minimise potential pollution. Key mitigation measures include the installation of silt fences, silt traps and grease traps, as well as the construction of temporary wash troughs at site exit points. These wash troughs are equipped with water bowser trucks and water jets to clean heavy vehicles before they leave the site, thereby preventing soil and debris from affecting public roads.

In addition, earth drains and check dams are constructed to manage stormwater flow and reduce soil erosion, helping to preserve surrounding vegetation and minimise environmental disturbance at construction sites.

To monitor environmental impacts, regular sampling and inspections are conducted to assess factors such as sedimentation, soil erosion, water quality, noise levels and air emissions. Where exceptions are identified, prompt corrective and remedial actions are taken to mitigate potential environmental impacts.

During the financial year, the Group placed greater emphasis on environmental management initiatives within its Construction segment, where the majority of operational environmental impacts arise. Environmental initiatives within the Trading, Property Development and Other Services segments are relatively limited, as their activities primarily involve office and workshop operations with comparatively lower environmental impact.

The Group also recognises that climate change presents evolving risks and opportunities that may affect construction timelines, operational efficiency and cost structures.

During FYE 2026, climate-related matters were discussed at the SWC meetings to identify potential operational impacts and regulatory developments relevant to the Group's activities.

Climate-Related Risks and Opportunities

The Group recognises that climate change and evolving ESG expectations may present both risks and opportunities that could affect its operations and business activities over time.

Physical Risks Identified

The Group recognises that climate change may give rise to physical risks that could affect its construction operations and project delivery. Key climate-related physical risks identified include heavy rainfall, flooding at construction sites, rising temperatures affecting worker productivity and safety, and potential supply chain disruptions resulting from extreme weather events.

Given that certain project sites are located in areas susceptible to seasonal monsoon conditions, such as Kuantan, the Group has implemented proactive measures to mitigate the potential impact of adverse weather on construction activities. These measures include the installation and maintenance of temporary drainage and water diversion systems, deployment of sandbags and flood protection barriers in vulnerable areas, regular slope monitoring and stabilisation works to minimise the risk of landslides, and enhanced site housekeeping to ensure effective stormwater management.

The Group also continuously monitors weather forecasts and site conditions to facilitate timely implementation of contingency plans, minimise project disruptions and maintain a safe working environment.

The Group remains committed to strengthening its climate resilience by integrating climate-related risk considerations into project planning, site management and operational decision-making processes.

Transition Risks Identified

Potential transition risks may arise from evolving regulatory requirements, market expectations and industry practices relating to sustainability and climate-related matters. These include:

- The possible introduction of carbon-related regulations and reporting requirements
- Increasing ESG considerations in project tender evaluations and procurement processes
- Rising fuel and electricity costs which may affect operating and project costs

The Group continues to monitor these developments through management discussions and project-level oversight. While no material impact from transition risks has been identified during the financial year, the Group recognises that changes in regulations, customer expectations and market conditions may influence its business operations over the longer term.

At this stage, the Group has not undertaken a formal assessment or quantification of the potential financial impacts arising from climate-related transition risks and will continue to monitor developments as part of its sustainability journey.

Energy management

The Group's primary energy sources are purchased electricity and diesel. Electricity is obtained from the national power grid, while diesel is mainly used to operate construction plant and machinery, provide temporary power through generators at project sites, and fuel company vehicles.

At office premises, employees are encouraged to adopt energy-saving practices such as switching off computers, printers, air-conditioning units and lighting when not in use. These practices extend to common areas including corridors, staircases, reception areas and meeting rooms as part of the Group's efforts to minimise unnecessary energy consumption.

Indicator	FYE 2026	FYE 2025	FYE 2024
Fuel consumption (litres)	242,970	262,080	158,997

During FYE 2026, the Group prioritised energy monitoring at the Jabor–Jerangau construction site, which was the primary active project during the financial year. Electricity consumption from other project sites nearing completion has been excluded from the reporting boundary as their energy usage was assessed to be immaterial.

As part of the project's environmental management efforts, all temporary street lighting installed at the Jabor–Jerangau construction site was powered by solar panels, reducing reliance on grid electricity and diesel-powered lighting systems.

Indicator	FYE 2026	FYE 2025	FYE 2024
Electricity consumption (Megawatt-hour) at Jabor-Jerangau construction site	98.49	69.96	43.72
Electricity consumption (Megawatt-hour) at office	38.52	40.29	51.68
Total (Megawatt-hour)	137.01	110.25	95.40

The electricity consumption increased mainly due to increase in level of activities at Jabor-Jerangau site.

Water management

The Group utilises water sourced primarily from local utility providers. Where feasible, rainwater harvesting and recycled water are also used to support site operations. Water consumption at construction sites is essential for various activities, including machinery wheel washing, sanitation, irrigation, testing and commissioning works, dust suppression, and road cleaning.

At office premises, the Group promotes water conservation practices among employees by encouraging simple habits such as ensuring that taps and other water appliances are properly turned off after use.

During the financial year, the Group prioritised water management monitoring at the Jabor–Jerangau construction site, which was the primary active project site. Water usage from office operations and other project sites nearing completion has been excluded from the reporting boundary for FYE 2026 as their consumption was assessed to be immaterial.

Indicator	FYE 2026	FYE 2025	FYE 2024
Total water use (megalitre)	8.684	4.979	0.973
Total water use (megalitre) consumed by Jabor- Jerangau construction	8.684	4.979	0.942
Total water use (megalitre) consumed by office at JB	Insignificant	Insignificant	0.031

Waste management

The Group recognises that improper waste disposal and discharge may result in environmental pollution and harm to surrounding ecosystems. Non-compliance with environmental regulations may also adversely affect the Group's reputation and stakeholder confidence.

Indicator	Target	FYE 2026	FYE 2025	FYE 2024
Compound imposed by authority in relation to the environmental issues (RM)	Nil	Nil	Nil	Nil

In our construction sector, we continue reducing, reusing and recycling waste at the construction sites and reusing on-site building materials such as reuseable metal, wood and concrete.

Indicator	FYE 2026	FYE 2025	FYE 2024
Total waste generated (metric tonne)	72.10	72.03	Not available
Total waste diverted (reused or recycle) from disposal metal, wood (MT), plastic, etc (metric tonne)	0.00	0.00	Not available
Total waste directed (non-recyclable waste) to disposal. Spent lubricating oil, contaminated chemical/oil, used of filters (MT), general waste and etc (metric tonne)	72.10	72.03	Not available

At KB, we have prioritised waste management initiatives within our Jabor-Jerangau construction site, which was active during the year.

Emission management

The Group strictly prohibits open burning at all project sites and monitors contractors' compliance with applicable environmental requirements. No incidents of open burning or regulatory penalties were recorded during FYE 2026.

Indicator	Target	FYE 2026	FYE 2025	FYE 2024
Number of open burning and irresponsible rubbish disposal (number)	Nil	Nil	Nil	Nil
Number of complaints received in relation to excessive noise and air pollution (number)	Nil	Nil	Nil	Nil
Compound imposed by authority in relation to the excessive noise and air pollution (RM)	Nil	Nil	Nil	Nil

GHG emissions reported for FYE 2026 cover:

- Jabor–Jerangau construction site operations
- Corporate vehicles
- Site office electricity consumption

Other project sites nearing completion and office operations with minimal energy use have been excluded from the reporting boundary. The Group will continue to review its reporting scope as new projects commence and data collection improves.

Indicator	FYE 2026 (Tonnes CO2e)	FYE 2025 (Tonnes CO2e)
Scope 1: Direct GHG Emission CO2 emission from the corporate vehicles and machinery used at Jabor- Jerangau construction site (tCO2e)	750.37	789.60
Scope 2: Indirect emission from electricity used at Jabor-Jerangau construction site and site office. Emission from purchase electricity (tCO2e)	83.71	59.47
Scope 3: Emission from business travel and employee commuting (tCO2e)	110.27	111.96

Our commitment

The Group recognises that its ESG performance influences relationships with stakeholders. We remain committed to monitoring ESG-related risks and impacts on our business operations and to gradually improving our practices to meet stakeholder expectations.

Indicator	Measurement unit	FYE 2026	FYE 2025	FYE 2024
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	91%	93%	90%
Executive	Percentage	100%	100%	100%
Non-executive/Technical staff	Percentage	53%	39%	100%
General workers	Percentage	100%	0%	100%
Bursa C1(b) Percentage of operation assessed for corruption-related risks	Percentage	100%	100%	100%
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time-incident rate (LTIR)	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	34	39	38
Total hours worked	Hours	202,419	202,003	231,158
Number of lost time injuries	Number	0	0	0
Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0

Indicator	Measurement unit	FYE 2026	FYE 2025	FYE 2024
Climate Change				
Bursa C4(a) Total energy consumption	Megawatt-hour	137.01	110.25	95.40
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	tCO2e	750.37	789.60	Not applicable
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	tCO2e	83.71	59.47	Not applicable
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (i.e., business travel and employee commuting)	tCO2e	110.27	111.96	Not applicable
Employee Management				
Bursa C6(a) Total hours training by employee category				
Management	Hours	649	627	710
Executive	Hours	654	620	498
Non-executive/Technical staff	Hours	268	600	574
General workers	Hours	4	0	4
Average training hours per employee	Hours	16	16	14
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	2	1	3
Executive	Number	6	3	17
Non-executive/Technical staff	Number	18	6	38
General workers	Number	0	0	0
Total new hires	Number	22	43	52
New hire rate	Percentage	22%	39%	40%
Turnover rate	Percentage	27%	9%	45%

Indicator	Measurement unit	FYE 2026	FYE 2025	FYE 2024
Diversity, Equity & Inclusion				
Bursa C3(a) Percentage of employee by gender and age group, for each employee category				
Gender group by employee category				
Management - Male	Percentage	52%	54%	53%
Management - Female	Percentage	48%	46%	47%
Executive - Male	Percentage	45%	48%	50%
Executive - Female	Percentage	55%	52%	50%
Non-executive/Technical staff - Male	Percentage	73%	73%	72%
Non-executive/Technical staff - Female	Percentage	27%	27%	28%
General workers - Male	Percentage	100%	100%	100%
General workers - Female	Percentage	0%	0%	0%
Age group by employee category				
Management – Under 30	Percentage	0%	4%	3%
Management – Between 30 - 50	Percentage	61%	64%	67%
Management – Above 50	Percentage	39%	32%	30%
Executive – Under 30	Percentage	17%	24%	25%
Executive – Between 30 - 50	Percentage	69%	64%	65%
Executive – Above 50	Percentage	14%	12%	10%
Non-executive/Technical staff – Under 30	Percentage	18%	24%	36%
Non-executive/Technical staff – Between 30 - 50	Percentage	62%	52%	43%
Non-executive/Technical staff – Above 50	Percentage	20%	24%	21%

Indicator	Measurement unit	FYE 2026	FYE 2025	FYE 2024
General workers – Under 30	Percentage	0%	0%	0%
General workers – Between 30 - 50	Percentage	0%	0%	0%
General workers – Above 50	Percentage	100%	100%	100%
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	50%	89%	89%
Female	Percentage	50%	11%	11%
Under 30	Percentage	0%	0%	0%
Between 30 - 50	Percentage	50%	33%	33%
Above 50	Percentage	50%	67%	67%
Bursa C6(b) Percentage of Employees that are contractors or temporary staff				
Permanent	Percentage	51%	53%	53%
Temporary or Contractors	Percentage	49%	47%	47%
Gender diversity-Male	Percentage	75%	77%	74%
Gender diversity-Female	Percentage	25%	23%	26%
Age diversity-Under 30	Percentage	25%	27%	36%
Age diversity-Between 30-50	Percentage	52%	48%	41%
Age diversity-Above 50	Percentage	23%	25%	23%
Ethnic diversity- Bumiputera	Percentage	90%	88%	84%
Ethnic diversity- Chinese	Percentage	8%	8%	13%
Ethnic diversity - Indian	Percentage	0%	0%	0%
Ethnic diversity -Others	Percentage	2%	4%	3%
Human Rights				
Bursa C6 (d) number of substantiated complaints concerning human rights violations	Number	0	0	0
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100%	100%	100%

Indicator	Measurement unit	FYE 2026	FYE 2025	FYE 2024
Bursa (Waste Management)				
Bursa C10(a) Total waste generated	Metric tonnes	72.10	72.03	Not applicable
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	0	0.00	Not applicable
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	72.10	72.03	Not applicable
Community/Society				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	25,200	75,000	50,200
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3	1	2
Employee participated in community impact programmes	Number	44	Information not available	Information not available
Total hours spent on community impact programmes	Hours	97	Information not available	Information not available
Bursa (Water Management)				
Bursa C9(a) Total volume of water used	Megalitres	8.684	4.979	0.973

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	2-2 Entities included in the organization's sustainability reporting	49-Annual Report
	2-3 Reporting period, frequency and contact point	1, 49-Annual Report
	2-6 Activities, value chain and other business relationships	2-4, 24-29, 57-58-Annual Report
	2-7 Employees	59-63-Annual Report
	2-9 Governance structure and composition	30-31,34-36 -Annual Report
	2-10 Nomination and selection of the highest governance body	34-35-Annual Report
	2-11 Chair of the highest governance body	1-Annual Report
	2-12 Role of the highest governance body in overseeing the management of impacts	30-32,49-50 -Annual Report
	2-13 Delegation of responsibility for managing impacts	30-31,49-50 -Annual Report
	2-14 Role of the highest governance body in sustainability reporting	50-Annual Report
	2-15 Conflicts of interest	16-17,88- Annual Report
	2-16 Communication of critical concerns	31,33,40-41,47,87 -Annual Report
	2-17 Collective knowledge of the highest governance body	36,40-Annual Report
	2-18 Evaluation of the performance of the highest governance body	39,43-Annual Report
	2-19 Remuneration policies	35-39-Annual Report
	2-20 Process to determine remuneration	35-39-Annual Report
	2-21 Annual total compensation ratio	-
	2-22 Statement on sustainable development strategy	49-51-Annual Report
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GRI 3: Material Topics 2021	3-1 Process to determine material topics	51-Annual Report
	3-2 List of material topics	52,54-Annual Report
	3-3 Management of material topics	55,67-Annual Report
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	58-Annual Report

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GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	58-Annual Report
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	56-Annual Report
	205-2 Communication and training about anti-corruption policies and procedures	55-56-Annual Report
	205-3 Confirmed incidents of corruption and actions taken	56-Annual Report
GRI 302: Energy 2016	302-1 Energy consumption within the organization	65-Annual Report
	302-4 Reduction of energy consumption	65-Annual Report
GRI 303: Water and Effluents 2018	303-5 Water consumption	66-Annual Report
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	67-Annual Report
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	62-63-Annual Report
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	59-Annual Report
	403-4 Worker participation, consultation, and communication on occupational health and safety	59-60-Annual Report
	403-5 Worker training on occupational health and safety	59-60-Annual Report
	403-9 Work-related injuries	60-Annual Report
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	62-Annual Report
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	60-61, 69-71-Annual Report
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	58-59-Annual Report
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	56-57-Annual Report

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Management	Percentage	93	91	at least 90% attendance of employees	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Executive	Percentage	100	100	at least 90% attendance of employees	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - Non-executive/Technical staff	Percentage	39	53	at least 90% attendance of employees	No assurance
Anti-corruption	Percentage of employees who have received training on anti-corruption by employee category - General workers	Percentage	0	100	at least 90% attendance of employees	No assurance
Anti-corruption	Percentage of operation assessed for corruption - related risks	Percentage	100	100	at least 90% attendance of employees	No assurance
Anti-corruption	Confirmed incidents of corruption and action taken	Number	0	0	zero incidents of violation against the Anti-Bribery and Anti-Corruption Policy	No assurance
Health and Safety	Number of work-related fatalities	Number	0	0	zero incidents of fatality	No assurance
Health and Safety	Loss time-incident rate (LTIR)	Rate	0	0	-	No assurance
Health and Safety	Number of employees trained on health and safety standards	Number	39	34	-	No assurance
Health and Safety	Total hours worked	Hours	202,003	202,419	-	No assurance
Health and Safety	Number of lost time injuries	Number	0	0	-	No assurance

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Data Privacy and Security	Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	zero breaches of the Data Privacy and Security Policy	No assurance
Climate Change	Total energy consumption	Megawatt-hour	110.25	137.01	-	No assurance
Climate Change	Scope 1 emissions in tonnes of CO_2e	tCO_2e	789.60	750.37	-	No assurance
Climate Change	Scope 2 emissions in tonnes of CO_2e	tCO_2e	59.47	83.71	-	No assurance
Climate Change	Scope 3 emissions in tonnes of CO_2e (i.e. business travel and employee commuting)	tCO_2e	111.96	110.27	-	No assurance
Employee Management	Total hours training by employee category - Management	Hours	627	649	not less than 8 training hours annually for employees at managerial level and above	No assurance
Employee Management	Total hours training by employee category - Executive	Hours	620	654	not less than 8 training hours annually for employees at managerial level and above	No assurance
Employee Management	Total hours training by employee category - Non-executive/Technical staff	Hours	600	268	not less than 8 training hours annually for employees at managerial level and above	No assurance
Employee Management	Total hours training by employee category - General workers	Hours	0	4	not less than 8 training hours annually for employees at managerial level and above	No assurance
Employee Management	Average training hours per employee	Hours	16	16	not less than 8 training hours annually for employees at managerial level and above	No assurance
Employee Management	Total number of employee turnover by employee category - Management	Number	1	2	-	No assurance

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Employee Management	Total number of employee turnover by employee category - Executive	Number	3	6	-	No assurance
Employee Management	Total number of employee turnover by employee category - Non-execut-ive/Technical staff	Number	6	18	-	No assurance
Employee Management	Total number of employee turnover by employee category - General workers	Number	0	0	-	No assurance
Employee Management	Total new hires	Number	43	22	-	No assurance
Employee Management	New hire rate	Percentage	39	22	-	No assurance
Employee Management	Turnover rate	Percentage	9	27	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - Management - Male	Percentage	54	52	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - Management - Female	Percentage	46	48	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group- Executive - Male	Percentage	48	45	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - Executive - Female	Percentage	52	55	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - Non-executive/Technical staff - Male	Percentage	73	73	-	No assurance

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - Non-executive/Technical staff - Female	Percentage	27	27	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - General workers - Male	Percentage	100	100	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by gender group - General workers - Female	Percentage	0	0	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Management - Under 30	Percentage	4	0	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Management - Between 30 - 50	Percentage	64	61	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Management - Above 50	Percentage	32	39	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Executive - Under 30	Percentage	24	17	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Executive - Between 30 - 50	Percentage	64	69	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Executive - Above 50	Percentage	12	14	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Non-executive/Technical staff - Under 30	Percentage	24	18	-	No assurance

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Non-executive/Technical staff - Between 30 - 50	Percentage	52	62	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - Non-executive/Technical staff - Above 50	Percentage	24	20	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - General workers - Under 30	Percentage	0	0	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - General workers - Between 30 - 50	Percentage	0	0	-	No assurance
Diversity, Equity & Inclusion	Percentage of employee category by age group - General workers - Above 50	Percentage	100	100	-	No assurance
Diversity, Equity & Inclusion	Percentage of directors by gender group - Male	Percentage	89	50	-	No assurance
Diversity, Equity & Inclusion	Percentage of directors by gender group - Female	Percentage	11	50	-	No assurance
Diversity, Equity & Inclusion	Percentage of directors by age group - Under 30	Percentage	0	0	-	No assurance
Diversity, Equity & Inclusion	Percentage of directors by age group - Between 30 - 50	Percentage	33	50	-	No assurance
Diversity, Equity & Inclusion	Percentage of directors by age group - Above 50	Percentage	67	50	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Permanent	Percentage	53	51	-	No assurance

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Temporary or Contractors	Percentage	47	49	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Gender diversity - Male	Percentage	77	75	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Gender diversity - Female	Percentage	23	25	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Age diversity - Under 30	Percentage	27	25	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Age diversity - Between 30 - 50	Percentage	48	52	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Age diversity - Above 50	Percentage	25	23	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Ethnic diversity - Bumiputra	Percentage	88	90	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Ethnic diversity - Chinese	Percentage	8	8	-	No assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Ethnic diversity - Indian	Percentage	0	0	-	No assurance

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Main Market | Group 2 | FYE 31/03/2026

Sustainability Matter	Metric	Measurement Unit	2025	2026	Target	Assurance
Diversity, Equity & Inclusion	Percentage of employees that are contractors or temporary staff - Ethnic diversity - Others	Percentage	4	2	-	No assurance
Human Rights	Number of substantiated complaints concerning human rights violations	Number	0	0	zero tolerance for any form of-discrimination	No assurance
Supply Chain Management	Proportion of spending on local suppliers	Percentage	100	100	more than 80% of the total procurement budget to local suppliers	No assurance
Waste Management	Total waste generated	Metric tonnes	72.03	72.10	-	No assurance
Waste Management	Total waste diverted from disposal	Metric tonnes	0	0	-	No assurance
Waste Management	Total waste directed to disposal	Metric tonnes	72.03	72.10	-	No assurance
Community/Society	Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	75,000	25,200	-	No assurance
Community/Society	Total number of beneficiaries of the investment in communities	Number	1	3	-	No assurance
Community/Society	Employee participated in community impact programmes	Number	Information not available	44	-	No assurance
Community/Society	Total hourts spent on community impact programmes	Hours	Information not available	97	-	No assurance
Water Management	Total volume of water used	Megalitres	4.979	8.684	-	No assurance

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AUDIT COMMITTEE REPORT

The Board of Directors of Knusford Berhad is pleased to present the report of the Audit Committee ("AC") for the financial year ended 31 March 2026 ("FYE 2026").

COMPOSITION AND ATTENDANCE OF MEETINGS

The AC comprises Independent Non-Executive Directors. During the financial year under review, five (5) meetings were held and details of their attendance at the meetings are as follows:

		Attendance of meetings
Chairperson:	Lim Foo Seng (Independent Non-Executive Director, MIA member) (resigned on 3 December 2025)	4/4
Chairperson:	Kang Hui Ling (Independent Non-Executive Director, MIA member) (appointed on 10 February 2026)	1/1
Members:	Bernard Hilary Lawrence (Senior Independent Non-Executive Director) (resigned on 10 April 2025)	-/-
	Dato' Avinderjit Singh A/L Harjit Singh (Independent Non-Executive Director) (resigned on 11 July 2025)	0/1
	Mohd Salleh Bin Othman (Independent Non-Executive Director) (resigned on 19 May 2025)	-/-
	Lee Wai Kuen (Independent Non-Executive Director) (resigned on 3 December 2025)	4/4
	Liew Voon Keong (Independent Non-Executive Director) (appointed on 10 April 2025)	5/5
	Jasmine Cheong Chi-May (Independent Non-Executive Director) (appointed on 19 May 2025)	5/5
	Lim Ts-Fei (Independent Non-Executive Director) (appointed on 11 July 2025)	4/4

TERMS OF REFERENCE OF THE AC

Composition

(1) The members of the AC shall be appointed by the Board from among their members and shall consist of not fewer than three (3) members with a majority of them being Independent Directors.

(2) All members of the Committee should be financially literate and have the ability: -

(a) to read and understand financial statements;
(b) to analyse financial statements and ask pertinent questions about the Group's operations against internal controls; and
(c) to understand and interpret the application of approved accounting standards and other related requirements.

(3) At least one of the Committee members:

(a) must be a member of the Malaysian Institute of Accountants ("MIA"); or
(b) if he/she is not a member of MIA, he/she must have at least three (3) years working experience and:
- he/she must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
- He/she must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or

(c) fulfils such other requirements as prescribed or approved by Bursa Malaysia Securities Berhad ("Bursa Securities").

(4) No Alternate Director may be appointed as a member of the Committee.

(5) No former audit partner shall be appointed as a member of the Committee unless he/she has served a "cooling-off" period of at least three years prior to his/her appointment.

(6) The Chairman of the AC shall be an Independent Non-Executive Director appointed by the Board, who is not the Chairman of the Board, and acts as the key contact between the Committee members and Board members as well as Senior Management. The responsibilities of the AC Chairman, among others, are as follows:

(a) Planning and conducting meetings;
(b) Reporting to the Board on the matters being discussed and their recommendation;
(c) Encouraging open discussion during meetings;
(d) Developing and maintaining active "ongoing dialogue" with Management, internal auditors and external auditors; and
(e) Ensuring the overall effectiveness and independence of the Committee.

(7) Where the membership of the Committee falls below three (3) due to retirement or resignation or any other reasons, the vacancy must be filled within three (3) months to make up the minimum of three (3) members.

TERMS OF REFERENCE OF THE AC (CONT'D)

Authority

The AC has been granted appropriate authority by the Board to carry out their duties and responsibilities including the following: -

- Conduct investigation into any matters within their terms of reference;
- Seek any information it requires from any employee of the Group;
- Engage external legal or other professional advice at the cost and expense of the Group where necessary;
- Full and unrestricted access to any information pertaining to the Group and the Company;
- Direct communication with the external auditors and/or persons carrying out the internal audit functions or activities;
- Meet with the external auditors at least twice a year without management presence;
- Meet with the internal auditors at least once a year without management presence;
- Right to employ resources which are required to perform its duties; and
- Authorise an investigation where there is possible fraud, illegal acts or suspected violation of the Group's Code of Conduct and Ethics involving members of the Board or Senior Management.

Duties and Responsibilities

The duties and responsibilities of the AC shall include the following: -

(1) Internal Audit

(a) To review the adequacy of the scope, functions, competency and resources of the internal audit function and that it has the necessary authority to carry out its work.
(b) To review the internal audit plan and results and, where necessary, ensure that appropriate actions are taken on the recommendations of the internal audit function.
(c) To recommend the appointment of outsourced internal auditors.
(d) To evaluate the performance and decide on the remuneration of the outsourced internal audit function.
(e) To ensure that the outsourced internal audit function is able to undertake its duties independently and objectively. The outsourced internal auditors will report directly to the AC.
(f) To review the internal audit reports prepared by outsourced internal auditors, discuss major audit findings and management response.
(g) To review the follow-up action reports prepared by the outsourced internal auditors and ensure that appropriate actions are taken on the recommendations provided in the previous internal audit report.
(h) To review the assistance given to internal auditors by employees of the Group.
(i) To conduct annual review and periodic testing of the Group's internal control system.
(j) To hold an independent meeting session with the internal auditors without the presence of executive Board members and management personnel to further discuss matters arising from the audit.

(2) External Audit

(a) To consider the appointment of the external auditors, the audit fee and any question of resignation or dismissal.
(b) To review the external auditors' audit plan (scope of work), their evaluation of the system of internal controls and scope of their audits.
(c) To review and report on the assistance and co-operation given by the employees of the Group to the auditors.

TERMS OF REFERENCE OF THE AC (CONT'D)

Duties and Responsibilities (Cont'd)

The duties and responsibilities of the AC shall include the following (Cont'd): -

(2) External Audit (Cont'd)

(d) To assess and monitor the performance, suitability, objectivity and independence of the external auditors annually. The assessment is to be based on established policies and procedures that consider among others: -
- The competence, audit quality and resource capacity of the external auditors in relation to the audit and to consider information presented in the Annual Transparency Report, where applicable;
- The nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- Obtaining assurance from external auditors confirming that, they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

(e) To discuss the following with the external auditors prior to commencement of the audit:
- the nature and scope of audit;
- the audit plan;
- coordination of audit where more than one audit firm is involved;
- evaluation of the system of internal controls; and
- the audit reports.

(f) To review with the external auditors the audited financial statements for the purpose of approval prior to presentation to the Board for adoption, for the following:

- whether the auditors' report contained any qualifications which must be properly discussed and acted upon;
- whether there is any significant changes and adjustments in the presentation of financial statements;
- whether it is in compliance with laws and accounting standards;
- whether there are any material fluctuations in balances;
- whether there are any financial anomalies or irregularities;
- whether there are any significant commitments or contingent liabilities; and
- whether the financial statements taken as a whole provide a true and fair view of the Group's financial position and performance.

(3) Financial Reporting

To review the quarterly and annual financial statements of the Group and of the Company and recommend to the Board for approval, focusing particularly on:

(a) changes in or implementation of new accounting policies and practices.
(b) significant matters highlighted including financial reporting issues, significant judgement made by Management, significant and unusual events or transactions, and how these matters are addressed.
(c) going concern of entities within the Group.
(d) compliance with applicable approved accounting standards and other legal and regulatory requirements.

TERMS OF REFERENCE OF THE AC (CONT'D)

Duties and Responsibilities (Cont'd)

The duties and responsibilities of the AC shall include the following (Cont'd): -

(4) Related Party Transactions

To monitor and review any related party transactions and conflict of interest and potential conflict of interest situation that may arise within the Group including any transaction and/or procedure that raises questions on management integrity.

(5) Governance Oversight

(a) To drive the Code of Conduct and Ethics across the Group with the assistance of the compliance function including ensuring that the Code of Conduct and Ethics, which shall include managing conflicts of interest and potential conflict of interest, preventing the abuse of power, corruption, insider trading and money laundering, and whistleblower program' is implemented across the Group, and complied with.
(b) Review and endorse the Code of Conduct and Ethics program for the Board's approval and monitor the progress of implementation.
(c) Assess the effectiveness of the Code of Conduct and Ethics, and the ethical climate of the entire organisation, and recommend to the Board necessary changes to the Code of Conduct and Ethics.
(d) Review reports on violations of the Code of Conduct and Ethics and whistleblowing issues, as well as breaches involving pivotal positions.

(6) Other Matters

(a) To perform such other functions and responsibilities as may be agreed to by the Committee and the Board.
(b) To promptly report to Bursa Securities on any matter reported to the Board which has not been satisfactorily resolved resulting in a breach of the Main Market Listing Requirements.
(c) To review any major findings of internal investigations.
(d) To review the Statement on Risk Management and Internal Control in the Group's Annual Report to ensure that relevant information as prescribed in the Main Market Listing Requirements of Bursa Securities is disclosed appropriately.

Rules and Procedures at Meetings

(1) Frequency of Meeting

At least four (4) meetings shall be held in a year. However, meetings may also be held as and when required or upon the request of the external auditors to consider any matters that they believe should be brought to the attention of the Directors and/or shareholders.

(2) Chairman of the Meeting

The members of the AC shall elect amongst them an independent Director to act as the Chairman of the AC.

TERMS OF REFERENCE OF THE AC (CONT'D)

Rules and Procedures at Meetings (Cont'd)

(3) Notice and Agenda of Meeting

Meeting may be scheduled by the Committee or the Chairman. Meeting agenda shall be the responsibility of the Chairman with input from the Committee members. The Chairman may ask the Management to participate in this process. Unless all agreed, the notice and agenda of meeting shall be circulated at least seven (7) days before each meeting to the Committee members and all those who are required to attend the meeting. Written materials including information requested by the Committee from the Management or external consultants shall be disseminated three (3) days before the meeting.

(4) Quorum for the Meeting

The quorum for a meeting shall be two (2) members, provided that the majority of members present at the meeting shall be independent.

(5) Secretary of the Meeting

The Company Secretary shall be the Secretary of the Committee.

SUMMARY OF ACTIVITIES OF THE AC

The following activities were carried out by the AC for the FYE 2026:

(1) Internal Audit

- Reviewed and approved the risk-based internal audit plan.
- Reviewed the internal audit reports, recommendations and Management's response arising from the audit issues.
- Discussed key audit findings and follow up on status of previously highlighted issues with the internal auditors to ensure the implementation of corrective actions by Management on a timely basis.
- Reported to the Board on significant issues and concerns discussed during the AC meeting.
- Conducted assessment on internal audit functions to evaluate its performance and effectiveness.
- Reviewed and recommended the appointment of outsourced internal auditors.

(2) Financial Reporting

- Reviewed the unaudited quarterly reports on the consolidated results of the Group before recommending to the Board for their approval and release to Bursa Securities.
- Reviewed audited financial statements of the Company and of the Group with the external auditors prior to tabling to the Board for their consideration and approval.

SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

The following activities were carried out by the AC for the FYE 2026 (Cont'd):

(3) External Audit

- Reviewed the audit plan of the Group as proposed by the external auditors, in terms of the scope of audit, methodology and timetable, audit materiality, audit focus areas, significant accounting and audit issues, impact of new or proposed changes in the accounting standards and any other regulatory requirements.
- Assessed the suitability, objectivity and independence of the external audit firm annually, including assessing their competence, audit quality and resource capacity of the external auditors.
- Conducted private sessions on audit-related matters at the scheduled meeting with external auditors without the presence of executive Board members and management personnel.
- Reviewed and discussed with the external auditors on their audit status report upon completion of FYE 2026 audit, particularly on the audit opinion rendered, the key audit matters, audit findings and internal control deficiencies.

(4) Related Party Transactions

- Reviewed the processes and procedures on related party transaction and considered conflict of interest and potential conflict of interest situations to be entered by the Group.

(5) Conflict of Interest ("COI") and Potential COI

AC undertook the following initiatives in relation to COI and potential COI oversight:

- Reviewed and reported to the Board, the declaration submitted via the COI declaration form by Directors and Key Senior Management, as part of efforts to enhance transparency and the effectiveness of the COI and potential COI disclosure process and the AC did not note any other instances of COI and potential COI within the Company and its subsidiaries, including any transactions, procedures or course of conduct that may raise concerns regarding management integrity other than the COI and potential COI disclosed in the Profile of Chairman and Directors and Key Senior Management in this annual report.

- Reviewed any COI and potential COI situation that arose (if any), including interests in any competing business, as declared by the Directors and Key Senior Management of the Company and its subsidiaries and reported these to the Board where applicable.

- Assessed mitigation measures put in place to address COI and potential COI risks, as follows:-
  - ➢ All Recurrent Related Party Transactions ("RRPT") or Related Party Transaction ("RPT") will be reviewed and approved in accordance with the Limit of authority, as updated from time to time.
  - ➢ An annual internal audit plan shall include a review of material RRPTs to ensure that the relevant approvals are obtained and established review procedures are followed.
  - ➢ AC reviews internal audit report related to RRPTs.
  - ➢ Annual declaration of COI and potential COI are required from Directors and Key Senior Management.
  - ➢ Whistleblowing policy and reporting mechanism is in place to enable reporting of any suspected COI and unethical conduct.

SUMMARY OF ACTIVITIES OF THE AC (CONT'D)

The following activities were carried out by the AC for the FYE 2026 (Cont'd):

(6) Governance Practices

- Reviewed the Corporate Governance Report, the Corporate Governance Overview Statement, the Audit Committee Report and the Statement on Risk Management and Internal Control for the inclusion in the Annual Report of the Company and recommended their adoption to the Board.

(7) Others

- Performed first-half performance assessment of the Group.

INTERNAL AUDIT FUNCTION

The Group's internal audit function is outsourced to a professional services firm, Messrs Resolve IR Sdn. Bhd. The internal audit engagement is led by Mr. Choo Seng Choon ("Mr. Choo") who has diverse professional experience in internal audit, risk management and corporate governance advisory.

He is a Certified Internal Auditor and Chartered Member of the Institute of Internal Auditors with over 25 years of professional experience in multidiscipline including internal audit, risk management, corporate governance, performance and business management, IPOs, taxation, due diligence and corporate finance. Mr. Choo is also a Fellow Chartered Certified Accountant, UK, Chartered Accountant of the Malaysian Institute of Accountants ("MIA") and Certified Public Accountant of the Malaysian Institute of Certified Public Accountants ("MICPA").

The number of staff deployed for the internal audit reviews ranged from 3 to 4 staff per visit, including the engagement Director. The staff involved in the internal audit reviews possess professional qualification and/or a university degree. Most of them are members of the Institute of Internal Auditors Malaysia. The internal audit staff on the engagement are free from any relationships or conflicts of interest, which could impair their objectivity and independence.

The internal audit was conducted using a risk-based approach and was guided by the International Professional Practice Framework ("IPPF").

The internal audit activities undertaken during the FYE 2026 were as follows:

- Carried out the internal audit reviews in accordance with the approved risk-based Internal Audit Plan.
- Reviewed recurrent related party transaction procedures to ascertain if the procedures were adhered to and that the relevant approvals have been obtained pursuant to the shareholders' mandate.
- Presented the Internal Audit Reports to the AC highlighting audit findings, recommendations to improve and management responses at each quarter.
- Performed follow up audits on these findings and updated status to the AC.
- Internal auditors met with the AC on 26 November 2025 without the presence of Management to discuss internal audit related matters.
- Presented and obtained approval from the AC on Internal Audit Plan which sets out the internal audit work expected to be carried out.

The costs incurred for outsourcing the internal audit function of the Group for FYE 2026 is at RM68,022 (31 March 2025: RM70,598).

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of Knusford Berhad is fully accountable to ensure that the financial statements are drawn up in accordance with Companies Act 2016 ("the Act") and the applicable approved accounting standards set by the Malaysian Accounting Standards Board so as to give a true and fair view of the state of affairs of the Group and the Company as at 31 March 2026 and of the results and cash flows of the Group and of the Company for the financial year ended on that date.

In the preparation of the financial statements, the Directors have:

a) applied relevant and appropriate accounting policies consistently and in accordance with applicable approved accounting standards;
b) made judgments and estimates that are prudent and reasonable; and
c) used the going concern basis for the preparation of the financial statements.

The Directors are responsible for ensuring that proper accounting records are kept in accordance with the Act. The Directors also have overall responsibility in taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2026.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and property investment whilst the principal activities of the subsidiaries are as stated in Note 30 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

SUBSIDIARIES

The details of the Company's subsidiaries are disclosed in Note 30 to the financial statements.

RESULTS

	Group RM'000	Company RM'000
(Loss)/Profit for the year attributable to owners of the Company	(11,579)	784

RESERVES AND PROVISIONS

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

DIVIDENDS

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

DIRECTORS OF THE COMPANY

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

Knusford Berhad	Alternate
DYAM Tunku Ismail Ibni Sultan Ibrahim	
Lim Chen Herng*	
Lim Chen Thai*	
Lim Sew Hua*	
Liew Voon Keong (appointed on 10 April 2025)	
Jasmine Cheong Chi-May (appointed on 19 May 2025)	
Lim Ts-Fei (appointed on 11 July 2025)	
Kang Hui Ling (appointed on 10 February 2026)	
Dato' Seri Mohamad Jaifuddin Bin Bujang Mohidin	DYAM Tunku Ismail Ibni Sultan Ibrahim
Lee Wai Kuen (resigned on 3 December 2025)	
Lim Foo Seng (resigned on 3 December 2025)	

* Director of the Company and its subsidiaries

SUBSIDIARIES

Lim Jenq Kuan
Mohd Hanaffiah Bin Talib
Sum Chee Tat
Tan Sri Dato' Lim Kang Hoo
Tengku Mohamed Syamil Bin Tengku Mahamud @ TG Mahmood
Zainai Bin MD Desa
Mohd Salleh Bin Othman
Muhamad Fikri Bin Abdul Jalal

DIRECTORS' INTERESTS IN SHARES

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

	Number of ordinary shares			
	At 1.4.2025	**Bought**	**Sold**	**At 31.3.2026**
Interests in the Company:				
DYAM Tunku Ismail Ibni Sultan Ibrahim				
– own (through Aman Setegap Sdn. Bhd.)	30,000,000	–	–	30,000,000
Lim Chen Thai				
– own	58,300	–	–	58,300
Lim Sew Hua				
– own	1,283,000	–	–	1,283,000
– others	297,300	–	–	297,300
Lim Ts-Fei	10,000	–	–	10,000

By virtue of his interest of more than 20% in the shares of the Company, DYAM Tunku Ismail Ibni Sultan Ibrahim is also deemed interested in the shares of the subsidiaries during the financial year to the extent that Knusford Berhad has an interest.

None of the other Directors holding office at 31 March 2026 had any interest in the shares of the Company and of its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors who have substantial financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 29 to the financial statements.

DIRECTORS' BENEFITS (CONT'D)

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2026 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	260	40
Remuneration	1,138	231
Estimated money value of any other benefits	5	57
	1,403	328

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

ISSUE OF SHARES AND DEBENTURES

There were no changes in the issued and paid-up capital of the Company and the Company has not issued any debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

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

INDEMNITY AND INSURANCE COSTS

During the financial year, the total amount of insurance premium effected for Directors and officers of Knusford Berhad and its subsidiaries is RM18,000 limited to a coverage of RM12,000,000.

There were no insurance costs or indemnities effected for auditors of the Group and of the Company.

OTHER STATUTORY INFORMATION

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

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

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

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

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

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

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

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

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

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

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

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

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 March 2026 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

AUDITORS

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

The auditors' remuneration of the Group and of the Company during the year are RM307,800 and RM85,000 respectively.

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

....
Lim Chen Herng
Director

....
Lim Chen Thai
Director

Kuala Lumpur

Date: 24 July 2026

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Assets					
Property, plant and equipment	2	8,583	9,597	2,021	2,107
Investment properties	3	112,244	118,774	8,227	8,545
Inventories	8	960	960	–	–
Investments in subsidiaries	4	–	–	170,746	166,301
Investments in associates	5	1,766	1,661	–	–
Investments in joint ventures	6	–	–	–	–
Deferred tax assets	7	17	17	–	–
Trade and other receivables	10	100,000	92,391	–	–
Total non-current assets		223,570	223,400	180,994	176,953
Inventories	8	906	1,462	–	–
Trade and other receivables	10	107,396	114,440	18,490	21,163
Contract assets	11	52,939	60,941	–	–
Current tax assets		770	239	72	–
Cash and cash equivalents	12	665	6,010	65	1,341
		162,676	183,092	18,627	22,504
Assets classified as held for sale	9	4,123	–	–	–
Total current assets		166,799	183,092	18,627	22,504
Total assets		390,369	406,492	199,621	199,457
Equity					
Share capital	13	122,338	122,338	122,338	122,338
Translation reserve		–	7	–	–
Retained earnings		105,131	116,710	60,772	59,988
Total equity attributable to owners of the Company		227,469	239,055	183,110	182,326
Liabilities					
Borrowings	14	328	551	–	–
Deferred tax liabilities	7	386	398	363	363
Total non-current liabilities		714	949	363	363
Trade and other payables	15	116,060	121,563	1,148	424
Borrowings	14	46,082	44,488	15,000	16,336
Current tax liabilities		44	437	–	8
Total current liabilities		162,186	166,488	16,148	16,768
Total liabilities		162,900	167,437	16,511	17,131
Total equity and liabilities		390,369	406,492	199,621	199,457

The notes on pages 103 to 159 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Revenue	16	37,571	80,484	2,816	11,270
Cost of sales	17	(45,306)	(67,997)	(641)	(762)
Gross (loss)/profit		(7,735)	12,487	2,175	10,508
Other income		5,006	14,588	13	12,035
Administrative expenses		(8,646)	(11,294)	(1,386)	(666)
Net gain/(loss) on impairment of financial instruments and contract assets	20	2,090	(604)	(7)	89
Results from operating activities		(9,285)	15,177	795	21,966
Finance income	18	142	263	2	30
Finance costs	19	(2,679)	(3,276)	–	–
Net finance (costs)/income		(2,537)	(3,013)	2	30
Share of profit/(loss) of equity accounted investments, net of tax		105	(246)	–	–
(Loss)/Profit before tax	20	(11,717)	11,918	797	21,996
Tax credit/(expense)	21	138	(1,393)	(13)	(261)
(Loss)/Profit for the year		(11,579)	10,525	784	21,735
Other comprehensive expense net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation differences		(7)	–	–	–
Total comprehensive (expense)/ income for the year		(11,586)	10,525	784	21,735
(Loss)/Profit attributable to:					
Owners of the Company		(11,579)	10,525	784	21,735
(Loss)/Profit for the year		(11,579)	10,525	784	21,735
Total comprehensive (expenses)/ income attributable to:					
Owners of the Company		(11,586)	10,525	784	21,735
Total comprehensive (expenses)/ income for the year		(11,586)	10,525	784	21,735
Basic (loss)/earnings per ordinary share (sen)	22	(11.62)	10.56		

There is no dilution of earnings per share as there is no potential diluted ordinary shares.

The notes on pages 103 to 159 are an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2026

	<----------*Attributable to owners of the Company*---------->			
	<---*Non-distributable*--->		*Distributable*	
	Share capital RM'000	**Translation reserve RM'000**	**Retained earnings RM'000**	**Total RM'000**
Group				
At 1 April 2024	122,338	7	106,185	228,530
Profit and total comprehensive income for the year	–	–	10,525	10,525
At 31 March 2025/1 April 2025	122,338	7	116,710	239,055
Total other comprehensive expense for the year	–	(7)	–	(7)
Foreign currency translation differences	–	(7)	–	(7)
Loss for the year	–	–	(11,579)	(11,579)
Loss and total comprehensive expense for the year	–	(7)	(11,579)	(11,586)
At 31 March 2026	122,338	–	105,131	227,469
	Note 13			

The notes on pages 103 to 159 are an integral part of these financial statements.

	<--Attributable to owners of the Company-->		
	Non-distributable	***Distributable***	
	Share capital RM'000	**Retained earnings RM'000**	**Total RM'000**
Company			
At 1 April 2024	122,338	38,253	160,591
Profit and total comprehensive income for the year	–	21,735	21,735
At 31 March 2025/1 April 2025	122,338	59,988	182,326
Profit and total comprehensive income for the year	–	784	784
At 31 March 2026	122,338	60,772	183,110
	Note 13		

The notes on pages 103 to 159 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2026

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from operating activities					
(Loss)/Profit before tax		(11,717)	11,918	797	21,996
Adjustments for:					
Depreciation of property, plant and equipment	2	814	2,026	86	104
Depreciation of investment properties	3	876	781	318	360
Property, plant and equipment written off		2	–	–	–
Impairment loss on investment properties	3	–	2,027	–	–
Net (gain)/loss on impairment of financial instruments and contract assets	20	(2,090)	604	7	(89)
Impairment loss on investments in subsidiaries	4	–	–	–	99
Gain on disposal of property, plant and equipment	20	(104)	(1,733)	–	–
Gain on disposal of investment properties	20	(4,666)	(12,033)	–	(12,033)
Gain on liquidation of a joint venture		–	(182)	–	–
Dividend income	16	–	–	(2,512)	(9,907)
Share of (profit)/loss of equity-accounted investments, net of tax		(105)	246	–	–
Interest expense	19	2,679	3,276	–	–
Interest income	18	(142)	(263)	(2)	(30)
Operating (loss)/profit before changes in working capital		(14,453)	6,667	(1,306)	500
Changes in working capital:					
Inventories		556	1,679	–	–
Trade and other receivables		10,419	43,707	2,666	3,928
Contract assets		2,126	(15,779)	–	–
Trade and other payables		(5,503)	(31,211)	724	(9,817)
Cash (used in)/generated from operations		(6,855)	5,063	2,084	(5,389)
Tax paid		(892)	(4,574)	(140)	(248)
Tax refund		94	52	47	2
Interest paid		(2,649)	(3,226)	–	–
Interest received		142	263	2	30
Net cash (used in)/from operating activities		(10,160)	(2,422)	1,993	(5,605)

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Cash flows from investing activities					
Acquisition of property, plant and equipment	(i)	(102)	(367)	–	(5)
Acquisition of investment properties		–	(6,660)	–	–
Dividend received from a subsidiary		–	–	2,512	9,907
Subscription of redeemable preference shares in a related company		–	–	(8,933)	(30,535)
Proceeds from liquidation of a joint venture		–	437	–	–
Proceeds from disposal of property, plant and equipment		104	2,001	–	–
Proceeds from disposal of investment properties		3,500	26,661	–	26,661
Redemption of redeemable preference shares		–	–	4,488	(617)
Net cash from/(used in) investing activities		3,502	22,072	(1,933)	5,411
Cash flows from financing activities					
Interest paid		(30)	(50)	–	–
Repayment of revolving credits	14.4	–	(12,207)	–	–
Net drawdown/(repayment) from bankers' acceptances	14.4	3,291	(3,746)	(1,336)	1,336
Repayment of lease liabilities	(ii)	(22)	(21)	–	–
Repayment of hire purchase liabilities	14.4	(251)	(991)	–	–
Net cash from/(used in) financing activities		2,988	(17,015)	(1,336)	1,336
Net (decrease)/increase in cash and cash equivalents		(3,670)	2,635	(1,276)	1,142
Cash and cash equivalents at 1 April		4,335	1,700	1,341	199
Cash and cash equivalents at 31 March	12	665	4,335	65	1,341

(i) Acquisition of property, plant and equipment

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

	Group	
	2026 **RM'000**	**2025** **RM'000**
Paid in cash	102	367
Total (see Note 2) *	102	367

* Excludes acquisition of right-of-use assets amounting to RM28,000 (2025: RM26,000).

(ii) Cash outflows for leases as lessee

	Group		Company	
	2026 **RM'000**	**2025** **RM'000**	**2026** **RM'000**	**2025** **RM'000**
Included in net cash from operating activities:				
Interest paid in relation to lease liabilities	2	3	–	–
Payments relating to short-term leases	2,204	1,913	9	9
Included in net cash from financing activities:				
Payments of lease liabilities	22	21	–	–
Total cash outflows for leases	2,228	1,937	9	9

The notes on pages 103 to 159 are an integral part of these financial statements.

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

Registered office and principal place of business
#C-G-03 Block C
Tropez Residen
Persiaran Danga Perdana
80200 Johor Bahru, Johor

The consolidated financial statements of the Company as at and for the financial year ended 31 March 2026 comprise the Company and its subsidiaries (together referred to as the "Group" and individually referred to as "Group entities") and the Group's interests in associates and joint ventures. The financial statements of the Company as at and for the financial year ended 31 March 2026 do not include other entities.

The Company is principally engaged in investment holding and property investment whilst the principal activities of the subsidiaries are as stated in Note 30 to the financial statements.

These financial statements were authorised for issue by the Board of Directors on 24 July 2026.

1. BASIS OF PREPARATION

(a) Statement of compliance

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

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

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

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

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

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

1. BASIS OF PREPARATION (CONT'D)

(a) Statement of compliance

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

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

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

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

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

The initial application of the abovementioned accounting standards, interpretations or amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and of the Company, except for MFRS 18, Presentation and Disclosure in Financial Statements.

MFRS 18, which replaces MFRS 101, Presentation of Financial Statements, is effective for annual reporting periods beginning on or after 1 April 2027. The Group and the Company are currently evaluating the implications of adopting MFRS 18, including its impact on the presentation and disclosure of information in the financial statements.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

The Directors have considered the available credit facilities and future debt collection and settlement of the Group and of the Company, and continuous roll over of existing revolving credit facilities from the lenders in determining the appropriateness of the going concern basis for the preparation of financial statements to the Group and to the Company. The Group and the Company also own unpledged properties that are available for resale. Should the need arise, the Group and the Company will realise these properties.

Accordingly, the Directors believe that the preparation of the financial statements on a going concern basis is appropriate, based on the measures as disclosed above, to enable the Group and the Company to continue their operations and to meet their liabilities as they fall due for the next 12 months from the date of financial statements.

(c) Functional and presentation currency

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

1. BASIS OF PREPARATION (CONT'D)

(d) Use of estimates and judgements

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

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

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

- Note 4 - Investments in subsidiaries
- Note 16 - Revenue
- Note 25.4 - Measurement of expected credit loss ("ECL")

2. PROPERTY, PLANT AND EQUIPMENT

	Buildings RM'000	Equipment, furniture and fittings RM'000	Plant and machinery (own use) RM'000	Plant and machinery (subject to operating lease) RM'000	Motor vehicles (own use) RM'000	Motor vehicles (subject to operating lease) RM'000	Right-of-use assets RM'000	Total RM'000
Group								
Cost								
At 1 April 2024	7,476	6,951	49,791	238	8,972	756	139	74,323
Additions	–	60	226	–	81	–	26	393
Disposals	–	–	(1,916)	–	(1,350)	–	(3)	(3,269)
Transfer from investment properties (Note 3)	377	–	–	–	–	–	–	377
At 31 March 2025/ 1 April 2025	7,853	7,011	48,101	238	7,703	756	162	71,824
Additions	–	78	6	–	18	–	28	130
Disposals	–	–	(80)	–	(420)	–	(97)	(597)
Written off	–	(73)	–	–	–	–	–	(73)
Transfer to assets held for sale	(377)	(118)	–	–	–	–	–	(495)
At 31 March 2026	7,476	6,898	48,027	238	7,301	756	93	70,789
Accumulated depreciation and impairment loss								
At 1 April 2024								
Accumulated depreciation	1,477	6,329	44,091	163	7,326	756	114	60,256
Accumulated impairment loss	686	224	2,036	–	–	–	–	2,946
	2,163	6,553	46,127	163	7,326	756	114	63,202
Depreciation for the year	164	272	946	24	553	–	19	1,978
Disposals	–	–	(1,916)	–	(1,082)	–	(3)	(3,001)
Transfer from investment properties (Note 3)	48	–	–	–	–	–	–	48

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

	Buildings RM'000	Equipment, furniture and fittings RM'000	Plant and machinery (own use) RM'000	Plant and machinery (subject to operating lease) RM'000	Motor vehicles (own use) RM'000	Motor vehicles (subject to operating lease) RM'000	Right-of-use assets RM'000	Total RM'000
Group								
Accumulated depreciation and impairment loss (Cont'd)								
At 31 March 2025/ 1 April 2025								
Accumulated depreciation	1,689	6,601	43,121	187	6,797	756	130	59,281
Accumulated impairment loss	686	224	2,036	–	–	–	–	2,946
	2,375	6,825	45,157	187	6,797	756	130	62,227
Depreciation for the year	162	89	356	24	159	–	24	814
Disposals	–	–	(80)	–	(420)	–	(97)	(597)
Written off	–	(71)	–	–	–	–	–	(71)
Transfer to assets held for sale	(51)	(116)	–	–	–	–	–	(167)
At 31 March 2026								
Accumulated depreciation	1,800	6,503	43,397	211	6,536	756	57	59,260
Accumulated impairment loss	686	224	2,036	–	–	–	–	2,946
	2,486	6,727	45,433	211	6,536	756	57	62,206
Carrying amounts								
At 1 April 2024	5,313	398	3,664	75	1,646	–	25	11,121
At 31 March 2025/ 1 April 2025	5,478	186	2,944	51	906	–	32	9,597
At 31 March 2026	4,990	171	2,594	27	765	–	36	8,583

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

	Buildings RM'000	Equipment, furniture and fittings RM'000	Total RM'000
Company			
Cost			
At 1 April 2024	2,585	592	3,177
Addition	–	5	5
At 31 March 2025/1 April 2025/31 March 2026	2,585	597	3,182
Accumulated depreciation			
At 1 April 2024	465	506	971
Depreciation for the year	52	52	104
At 31 March 2025/1 April 2025	517	558	1,075
Depreciation for the year	52	34	86
At 31 March 2026	569	592	1,161
Carrying amounts			
At 1 April 2024	2,120	86	2,206
At 31 March 2025/1 April 2025	2,068	39	2,107
At 31 March 2026	2,016	5	2,021

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

(i) Leased assets

At 31 March 2026, the carrying amounts of machineries and motor vehicles of the Group under hire purchase arrangements are RM511,000 (2025: RM769,000).

(ii) Plant and machinery subject to operating lease

The Group leases some of its motor vehicles, plant and machinery to third parties. The Group generally does not require a financial guarantee on the lease arrangement. These leases do not include residual value guarantees.

The following are recognised in profit or loss:

	2026 RM'000	2025 RM'000
Group		
Lease income	180	167

(iii) Right-of-use assets

The Group leases a number of office equipment that run between 2 to 5 years.

(iv) Material accounting policy information

(a) Recognition and measurement

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

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

(b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term.

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

• Buildings	5 - 50 years
• Equipment, furniture and fittings	10 years
• Plant and machinery	10 - 20 years
• Motor vehicles	5 years

3. INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings RM'000	Total RM'000
Group			
Cost			
At 1 April 2024	88,006	39,273	127,279
Addition	–	6,660	6,660
Transfer to property, plant and equipment (Note 2)	–	(377)	(377)
At 31 March 2025/1 April 2025	88,006	45,556	133,562
Disposal	(1,464)	(950)	(2,414)
Transfer to assets held for sale	(3,322)	(1,064)	(4,386)
At 31 March 2026	83,220	43,542	126,762
Accumulated depreciation and accumulated impairment losses			
At 1 April 2024			
Accumulated depreciation	–	11,980	11,980
	–	11,980	11,980
Depreciation for the year	–	829	829
Impairment loss for the year	–	2,027	2,027
Transfer to property, plant and equipment (Note 2)	–	(48)	(48)
At 31 March 2025/1 April 2025			
Accumulated depreciation	–	12,761	12,761
Accumulated impairment loss	–	2,027	2,027
	–	14,788	14,788
Depreciation for the year	–	876	876
Disposal	–	(555)	(555)
Transfer to assets held for sale	–	(591)	(591)
At 31 March 2026			
Accumulated depreciation	–	12,491	12,491
Accumulated impairment loss	–	2,027	2,027
	–	14,518	14,518
Carrying amounts			
At 1 April 2024	88,006	27,293	115,299
At 31 March 2025/1 April 2025	88,006	30,768	118,774
At 31 March 2026	83,220	29,024	112,244

3. INVESTMENT PROPERTIES (CONT'D)

	Buildings RM'000
Company	
Cost	
At 1 April 2024/31 March 2025/1 April 2025/31 March 2026	15,788
Accumulated depreciation and accumulated impairment losses	
At 1 April 2024	
Accumulated depreciation	6,269
Accumulated impairment loss	614
	6,883
Depreciation for the year	360
At 31 March 2025/1 April 2025	
Accumulated depreciation	6,629
Accumulated impairment loss	614
	7,243
Depreciation for the year	318
At 31 March 2026	
Accumulated depreciation	6,947
Accumulated impairment loss	614
	7,561
Carrying amounts	
At 1 April 2024	8,905
At 31 March 2025/1 April 2025	8,545
At 31 March 2026	8,227

3. INVESTMENT PROPERTIES (CONT'D)

(i) Titles

A freehold land with a carrying amount of RM55,535,000 (2025: RM55,535,000) is currently in the process of transferring the name. Certain buildings of subsidiaries with an aggregate carrying amount of RM5,430,000 (2025: RM7,414,000) were pending the issuance of strata title by the relevant authorities.

(ii) Impairment loss

The Group and the Company review the investment properties when there is an indication of impairment. The recoverable amount is determined based on its fair value less costs of disposal. Fair value is assessed to comparable investment properties and are adjusted for differences in key attributes such as asset type and estimated remaining useful life.

The impairment loss on investment properties were recognised in other operating expenses.

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

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Rental income from external parties	1,069	1,702	119	680
Rental income from subsidiaries	–	–	185	683
Direct operating expenses:				
- income generating investment properties	258	361	143	229
- non-income generating investment properties	428	372	94	68

Maturity analysis of operating lease payments

	Group	
	2026 RM'000	**2025 RM'000**
Less than one year	1,069	1,657

3. INVESTMENT PROPERTIES (CONT'D)

Fair value information

Fair value of investment properties are categorised as follows:

	Fair value of investment properties not carried at fair value					
	2026			2025		
	Level 3 RM'000	Total fair value RM'000	Carrying amounts RM'000	Level 3 RM'000	Total fair value RM'000	Carrying amounts RM'000
Group						
Freehold land	131,264	131,264	83,220	142,569	142,569	88,006
Buildings	52,673	52,673	29,024	56,580	56,580	30,768
	183,937	183,937	112,244	199,149	199,149	118,774
Company						
Buildings	11,354	11,354	8,227	14,481	14,481	8,545

Level 3 fair value

Level 3 fair value is estimated using unobservable inputs for the investment properties.

Level 3 fair values of land and buildings have been determined by the Directors using the sales comparison approach. Sales price of comparable properties in close proximity are adjusted for differences in key attributes such as property size.

The significant unobservable input into the Directors' valuation is price per square foot of comparable properties.

Material accounting policy information

Investment properties are measured subsequently at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is charged to profit or loss on a straight-line basis over the estimated useful life of 50 years for buildings. Freehold land is not depreciated.

4. INVESTMENTS IN SUBSIDIARIES

	Ordinary shares RM'000	Redeemable preference shares RM'000	Capital contribution RM'000	Total RM'000
Company				
2026				
At cost:				
Unquoted shares	75,862	105,395	4,768	186,025
Additions for the year	–	8,933	–	8,933
Redemption during the year	–	(4,488)	–	(4,488)
	75,862	109,840	4,768	190,470
Impairment losses	(3,000)	(12,426)	(4,298)	(19,724)
	72,862	97,414	470	170,746
2025				
At cost:				
Unquoted shares	75,862	68,340	4,669	148,871
Additions for the year	–	46,646	99	46,745
Redemption during the year	–	(9,591)	–	(9,591)
	75,862	105,395	4,768	186,025
Impairment losses	(3,000)	(12,426)	(4,298)	(19,724)
	72,862	92,969	470	166,301

Movement in investments in subsidiaries

Redeemable preference shares

During the financial year, the Company increased its investments in redeemable preference shares of subsidiaries in the Group by cash consideration of RM8,933,000. The Company also redeemed its redeemable preference shares for cash of RM4,488,000.

In previous financial year, the Company increased its investments in redeemable preference shares of subsidiaries in the Group for cash of RM30,535,000 and the remaining by contra of debts of RM16,111,000. The Company also redeemed its redeemable preference shares for cash of RM617,000 and the remaining by contra of debts of RM8,974,000.

The redeemable preference shares are redeemable at the option of the issuer and do not carry the right to vote except for variation of holders' right to the class of shares and rank equally with regards to the subsidiary's residual assets.

Capital contribution

The capital contribution is for working capital purposes and treated as quasi-capital in view of the intention of the Company to provide long-term financial support to respective subsidiaries. The capital contribution has no fixed terms of repayment and is repayable at the discretion of the subsidiaries.

Details of the subsidiaries are as disclosed in Note 30.

4. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Movement in investments in subsidiaries (Cont'd)

Impairment loss

The impairment loss was recognised in relation to certain loss-making subsidiaries as follows:

	Company	
	2026 RM'000	**2025 RM'000**
At 1 April	19,724	19,625
Impairment loss recognised	–	99
At 31 March	19,724	19,724

The impairment loss is recognised as part of other operating expenses. The reversal of impairment loss is recognised as part of other income.

4.1 Significant judgements and assumptions in relation to impairment of investment in subsidiaries

The Company reviews its investments in subsidiaries when there is an indication of impairment. The Company applies significant judgement in assessing the impairment loss made by considering all facts and circumstances including the subsidiaries' past financial information and future business plan to help them to determine whether an impairment in relation to its costs of investment in its subsidiaries is required.

4.2 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

5. INVESTMENTS IN ASSOCIATES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Unquoted shares, at cost	1,918	1,918	40	40
Capital contribution	1,960	1,960	1,960	1,960
	3,878	3,878	2,000	2,000
Share of post-acquisition results	206	101	–	–
Less: Impairment loss	(2,318)	(2,318)	(2,000)	(2,000)
	1,766	1,661	–	–

Capital contribution

The capital contribution is for working capital purposes and is treated as quasi-equity. The capital contribution has no fixed term of repayment and amount payable is at the discretion of the associate. The capital contribution has been fully impaired.

Impairment loss

The impairment loss was recognised in relation to certain loss-making associates as follows:

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
At 1 April/31 March	2,318	2,318	2,000	2,000

Details of the associates are as follows:

Name of Company	Country of incorporation	Principal activities	Effective ownership interest and voting interest 2026 %	Effective ownership interest and voting interest 2025 %
Held by Knusford Berhad:				
CBD Development Sdn. Bhd. ("CBD") #	Malaysia	Dormant	40	40
Held through Knusford Project Management Sdn. Bhd.:				
Signature Office Property Inc. ("SOPI") #	Philippines	Investment holding	22	22

Not audited by KPMG PLT or member firms of KPMG International.

5. INVESTMENTS IN ASSOCIATES (CONT'D)

The associates have a different financial year end from the Group. In applying the equity method of accounting, the unaudited financial information of the associates for the financial year ended 31 December 2025 have been used, adjusted for any differences in accounting policy.

The contribution of CBD and SOPI are immaterial to the financial performance and position of the Group for the current financial year and previous financial year, hence financial information of CBD and SOPI are not disclosed.

Material accounting policy information

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses.

6. INVESTMENTS IN JOINT VENTURES

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
At cost				
Unquoted shares				
Ordinary shares	338	338	–	–
Capital contribution	7,875	7,875	–	–
	8,213	8,213	–	–
Share of post-acquisition results	(8,213)	(8,213)	–	–
	–	–	–	–

Details of the joint ventures are as follows:

Names of joint ventures	Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2026	**2025**
			%	**%**
Held through Kota Ekspres Sdn. Bhd.:				
Greenland Knusford Construction Sdn. Bhd. ("GKC") #	Malaysia	Construction	45	45
Held through Knusford Construction Sdn. Bhd.:				
Knusford Compass Sdn. Bhd. ("KCOM") #	Malaysia	Integrated facility management services (dissolved on 16 August 2025)	–	51

Not audited by KPMG PLT.

6. INVESTMENTS IN JOINT VENTURES (CONT'D)

Greenland Knusford Construction Sdn. Bhd. ("GKC") and Knusford Compass Sdn. Bhd. ("KCOM") are structured as separate vehicles and provide the Group rights to the net assets of the respective entities. Accordingly, the Group has classified the investments in GKC and KCOM as joint ventures.

The joint ventures have a different financial year end from the Group. In applying the equity method of accounting, the audited financial statements of the joint ventures for the financial year ended 31 December 2025 have been used, adjusted for any differences in accounting policy.

The contributions of GKC and KCOM are immaterial to the financial performance and position of the Group for the current financial year and previous financial year, hence the financial information of GKC and KCOM are not disclosed.

Unrecognised share of losses

The Group has not recognised losses related to GKC, totalling RM25,000 (2025: RM62,000) in the current financial year and RM4,814,000 (2025: RM4,789,000) cumulatively, since the Group has no obligation in respect of these losses.

Material accounting policy information

Investments in joint ventures are measured in the Company's statement of financial position at cost less any impairment losses.

7. DEFERRED TAX ASSETS/(LIABILITIES)

Recognised deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Group						
Property, plant and equipment	–	–	(389)	(401)	(389)	(401)
Provisions	20	20	–	–	20	20
Tax assets/ (liabilities)	20	20	(389)	(401)	(369)	(381)
Set-off	(3)	(3)	3	3	–	–
Net tax assets/ (liabilities)	17	17	(386)	(398)	(369)	(381)
Company						
Property, plant and equipment	–	–	(363)	(363)	(363)	(363)

Deferred tax assets and liabilities are offset above when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to the same taxation authority.

7. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Movement in temporary differences during the year

	At 1.4.2024 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31.3.2025/ 1.4.2025 RM'000	Recognised in profit or loss (Note 21) RM'000	At 31.3.2026 RM'000
Group					
Property, plant and equipment	(438)	37	(401)	12	(389)
Provisions	20	–	20	–	20
	(418)	37	(381)	12	(369)
Company					
Property, plant and equipment	(363)	–	(363)	–	(363)

Unrecognised deferred tax assets

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

	Group 2026 RM'000	2025 RM'000
Other deductible temporary differences	100,587	106,846
Unabsorbed capital allowances	7,718	6,690
Unutilised tax losses	30,280	13,120
	138,585	126,656

The deferred tax assets arising from other deductible temporary differences, unutilised tax losses and unabsorbed capital allowances of the Group are available for offsetting against future taxable profits of the respective entities within the Group, subject to no substantial change in shareholdings of those entities under the Income Tax Act, 1967 and guidelines issued by the tax authority.

7. DEFERRED TAX ASSETS/(LIABILITIES) (CONT'D)

Unrecognised deferred tax assets (Cont'd)

The unabsorbed capital allowances and other deductible temporary differences do not expire under current tax legislation. Tax losses for which no deferred tax asset was recognised expire as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Expiring in 2028	8,689	8,689
Expiring in 2029	368	368
Expiring in 2030	25	25
Expiring in 2033	970	970
Expiring in 2034	647	647
Expiring in 2035	2,421	2,421
Expiring in 2036	17,160	–
	30,280	13,120

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group entities can utilise the benefits thereon.

8. INVENTORIES

	Group	
	2026	**2025**
	RM'000	**RM'000**
Non-current		
Land held for future development	960	960
Current		
Developed properties held for sale	906	1,462
	1,866	2,422
Recognised in profit or loss:		
- Inventories recognised as cost of sales	412	1,648

Included in the land held for future development is land pledged for a bank facility granted to a subsidiary (see Note 14.2) which has been written down to its net realisable value in prior years. The land will be used for the development of affordable housing and partially to be surrendered to the state government.

8. INVENTORIES (CONT'D)

8.1 Material accounting policy information

(i) Land held for future development

Land held for future development consists of land or such portions thereof on which no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current assets and is stated at the lower of cost and net realisable value.

Land held for future development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

(ii) Developed properties held for sale

Developed properties held for sale are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the specific identification method and consists of costs associated with the acquisition of land, direct costs and appropriate proportions of common costs attributable to developing the properties to completion. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

9. ASSETS CLASSIFIED AS HELD FOR SALE

The building units located at Diamond Square, Jalan Semarak Api 1, Off Jalan Gombak, Kuala Lumpur are presented as assets held for sale following the commitment of the Company's management in December 2025 to sell that building units. Efforts to sell the building units have commenced.

	Group 2026 RM'000
Assets classified as held for sale	
Property, plant and equipment	328
Investment property	3,795
	4,123

The carrying value of property, plant and equipment and investment property are the same as its carrying value before it was being reclassified to current assets.

10. TRADE AND OTHER RECEIVABLES

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current					
Trade					
Trade receivables		100,000	101,838	–	–
Less: Impairment loss		–	(9,447)	–	–
	10.1	100,000	92,391	–	–
Current					
Trade					
Trade receivables		125,768	129,985	92	61
Less: Impairment loss		(29,453)	(29,769)	–	–
	10.1	96,315	100,216	92	61
Amounts due from sub-contractors	10.2	3,226	4,475	–	–
		99,541	104,691	92	61
Current					
Non-trade					
Advances to a subsidiary	10.3	–	–	15,000	15,000
Amounts due from subsidiaries		–	–	3,054	5,415
Less: Impairment loss		–	–	(8)	(1)
	10.4	–	–	3,046	5,414
Other receivables		5,813	5,409	307	627
Less: Impairment loss		(1,885)	(88)	–	–
	10.1	3,928	5,321	307	627
Deposits		5,806	6,259	39	55
Less: Impairment loss		(2,041)	(2,041)	–	–
		3,765	4,218	39	55
Prepayments		162	210	6	6
		7,855	9,749	18,398	21,102
		107,396	114,440	18,490	21,163
		207,396	206,831	18,490	21,163

10. TRADE AND OTHER RECEIVABLES (CONT'D)

10.1 Trade receivables

(i) Included in trade receivables of the Group and of the Company are amounts due from related parties as follows:

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Trade receivables	171,406	165,427	90	48
Impairment loss recognised	(8,277)	(20,798)	–	–
	163,129	144,629	90	48
Retention sum	11,337	15,951	–	–
Impairment loss recognised	(61)	(204)	–	–
	11,276	15,747	–	–
Total amounts due from related parties	174,405	160,376	90	48

The amounts due from related parties are subjected to negotiated trade terms.

(ii) As at 31 March 2026, the Group has receivables (including retention sum) from Ekovest Berhad and its subsidiaries ("Ekovest Group") of RM168,096,000 (2025: RM169,190,000).

During the current financial year, Ekovest repaid approximately RM17.8 million in cash. Subsequently, on 1 July 2026, Ekovest proposed a revised debt settlement arrangement comprising:

a) RM40.0 million to be settled in cash by 31 March 2027;
b RM28.1 million to be settled via a contra arrangement involving units within the Ekotitiwangsa mixed development project, or such other properties as may be mutually agreed between the parties; and
c) RM100.0 million to be settled from the proceeds of the refinancing, disposal, redemption, monetisation or other realisation of Ekovest's investment in junior bonds issued by Konsortium Lebuhraya Utara-Timur (KL) Sdn. Bhd. ("Kesturi").

Both parties agree that the outstanding debt shall accrue interest at a rate of 6.5% per annum on the applicable outstanding balance until the date of full settlement.

(iii) Included in trade receivables at 31 March 2026 are retention sums of RM27,483,000 (2025: RM34,131,000) relating to construction work-in-progress. Retentions are unsecured, interest free and are expected to be collected as follows:

	Group 2026 RM'000	Group 2025 RM'000
Within 1 year	2,155	2,845
More than 1 year	25,328	31,286
	27,483	34,131
Impairment loss recognised	(13,088)	(2,779)
	14,395	31,352

10. TRADE AND OTHER RECEIVABLES (CONT'D)

10.2 Amounts due from sub-contractors

Amounts due from the sub-contractors mainly relate to the purchase of building materials for the purpose of the construction contracts on behalf of the sub-contractors. The amounts are unsecured, interest free and expected to be offset with billings received in relation to the construction contract.

10.3 Advances to a subsidiary

Advances to a subsidiary are unsecured, subject to interest ranging from 6.11% to 6.44% (2025: from 5.72% to 6.44%) per annum and repayable on demand. The advances to a subsidiary are funded by a revolving credit facility of the Company as disclosed in Note 14.2 to the financial statements.

10.4 Amounts due from subsidiaries

The amounts due from subsidiaries of the Company are unsecured, interest free and repayable on demand.

11. CONTRACT WITH CUSTOMERS

11.1 Contract assets

	Group	
	2026 RM'000	2025 RM'000
Contract assets	60,748	62,874
Less: Impairment loss	(7,809)	(1,933)
	52,939	60,941

The contract assets primarily relate to the Group's rights to consideration for work completed on construction contracts but not yet billed at the reporting date.

12. CASH AND CASH EQUIVALENTS

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cash and cash equivalents in the statements of financial position		665	6,010	65	1,341
Bank overdraft	14	–	(1,675)	–	–
Cash and cash equivalents in the statements of cash flows		665	4,335	65	1,341

13. SHARE CAPITAL

	Group and Company			
	Amount 2026 RM'000	Number of shares 2026 '000	Amount 2025 RM'000	Number of shares 2025 '000
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares				
At 1 April/31 March	122,338	99,645	122,338	99,645

Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

14. BORROWINGS

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Non-current					
Hire purchase liabilities	14.1	306	538	–	–
Lease liabilities		22	13	–	–
		328	551	–	–
Current					
Revolving credits	14.2	36,500	36,500	15,000	15,000
Bankers' acceptances	14.3	9,350	6,059	–	1,336
Hire purchase liabilities	14.1	217	236	–	–
Lease liabilities		15	18	–	–
Bank overdraft		–	1,675	–	–
		46,082	44,488	15,000	16,336
		46,410	45,039	15,000	16,336

14. BORROWINGS (CONT'D)

14.1 Hire purchase liabilities

Hire purchase liabilities are payable as follows:

	Future minimum lease payments 2026 RM'000	Interest 2026 RM'000	Present value of minimum lease payments 2026 RM'000	Future minimum lease payments 2025 RM'000	Interest 2025 RM'000	Present value of minimum lease payments 2025 RM'000
Group						
Less than one year	235	18	217	262	26	236
Between two and five years	317	11	306	568	30	538
	552	29	523	830	56	774

14.2 Revolving credits

One of the revolving credit facilities granted to a subsidiary are secured over a freehold land (see Note 3) and land held for development of the Group (see Note 8).

14.3 Bankers' acceptances

The bankers' acceptances granted to the Company and its subsidiaries are with repayment terms of 90 - 120 days (2025: 90 - 120 days).

One of the subsidiaries did not settle banker acceptance amounting to RM3,358,000 upon its maturity in December 2025. Subsequent to the financial year end, the subsidiary has partially settled the outstanding amount, with the remaining balance amounting to RM890,000 as at 24 July 2026. The non-settlement resulted in non-compliance with certain terms and conditions of the Group's financing arrangements. However, as the related balances have already been classified as current liabilities, no reclassification is required. The Directors have assessed that the matter does not have a material impact on the Group's financial position and ability to continue as a going concern.

14. BORROWINGS (CONT'D)

14.4 Reconciliation of movement of liabilities to cash flows arising from financing activities

The movement of borrowings in the statements of cash flows is as follows:

	At 1.4.2024 RM'000	Repayment RM'000	Drawdown RM'000	Acquisition of lease liabilities RM'000	At 31.3.2025/ 1.4.2025 RM'000	Repayment RM'000	Drawdown RM'000	Acquisition of lease liabilities RM'000	At 31.3.2026 RM'000
Group									
Hire purchase liabilities	1,765	(991)	–	–	774	(251)	–	–	523
Lease liabilities	26	(21)	–	26	31	(22)	–	28	37
Bankers' acceptances	9,805	(8,105)	4,359	–	6,059	(2,832)	6,123	–	9,350
Revolving credits	48,707	(12,207)	–	–	36,500	–	–	–	36,500
Bank overdraft	–	–	1,675	–	1,675	(1,675)	–	–	–
Total liabilities from financing activities	60,303	(21,324)	6,034	26	45,039	(4,780)	6,123	28	46,410
Company									
Revolving credits	15,000	–	–	–	15,000	–	–	–	15,000
Bankers' acceptances	–	–	1,336	–	1,336	(1,336)	–	–	–
Total liabilities from financing activities	15,000	–	1,336	–	16,336	(1,336)	–	–	15,000

15. TRADE AND OTHER PAYABLES

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Trade					
Trade payables	15.1	71,960	79,212	–	4
Contract advances	15.2	10,000	10,000	–	–
		81,960	89,212	–	4
Non-trade					
Other payables and accrued expenses		34,100	32,351	1,124	415
Amounts due to subsidiaries	15.3	–	–	24	5
		34,100	32,351	1,148	420
		116,060	121,563	1,148	424

15.1 Trade payables

Included in trade payables of the Group are retention sums amounting to RM21,576,000 (2025: RM23,327,000).

Included in trade payables of the Group are trade accruals amounting to RM16,996,000 (2025: RM27,688,000) in relation to subcontractors' claims for which billings have yet to be received.

15.2 Contract advances

Contract advances relate to the advance payments received from a construction customer in the prior years.

15.3 Amounts due to subsidiaries

The amounts due to subsidiaries of the Company are unsecured, interest free and repayable on demand.

16. REVENUE

	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Revenue from contracts with customers				
Sale of goods	19,833	27,818	–	–
Contract revenue	15,112	46,739	–	–
Sale of developed properties	970	3,540	–	–
Landscaping maintenance services	228	518	–	–
	36,143	78,615	–	–
Other revenue				
Rental of motor vehicle and machinery	359	167	–	–
Rental income from investment properties	1,069	1,702	304	1,363
Dividend income from a subsidiary	–	–	2,512	9,907
	1,428	1,869	2,816	11,270
Total revenue	37,571	80,484	2,816	11,270
Timing of recognition on revenue with contract customers				
At a point in time	21,103	31,358	–	–
Over time	15,340	47,257	–	–
	36,443	78,615	–	–

Revenue of the Group and of the Company are predominantly from operations in Malaysia.

16. REVENUE (CONT'D)

16.1 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of goods or services	Timing of revenue recognition or method used to recognise revenue	Significant payment terms	Variable element in consideration	Obligation for returns or refunds	Warranty
Sale of goods	Revenue is recognised at a point in time when the control of the goods are transferred to the customer. The goods are transferred when (or as) the customer obtains control of the goods.	Credit period of 30 to 60 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Contract revenue	Revenue is recognised over time using the stage of completion method. The stage of completion is measured using the input method, which is based on the proportion of total cost incurred at the reporting date compared to management's estimation of total cost of the contract.	Based on agreed milestones, certified by architects.	Variation orders are recognised upon certification from customers.	Not applicable.	Defect liability period of 1 to 2 years are given to the customers.
Sale of developed properties	Revenue is recognised at a point in time when the control of the properties are transferred to the customer. The properties are transferred when (or as) the customer obtains control of the properties.	Credit period of 30 to 90 days from invoice date.	Not applicable.	Not applicable.	Not applicable.
Landscaping maintenance services	Revenue is recognised over time as and when the maintenance services are performed or when the customer consumes the services.	Credit period of 30 to 60 days from invoice date.	Not applicable.	Not applicable.	Not applicable.

16. REVENUE (CONT'D)

16.2 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration of more than one year.

Group	2027 RM'000
Revenue from construction contracts	132,914

The above revenue does not include variable consideration unless certified by the main customers.

The Group applies the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

16.3 Significant judgements and assumptions arising from revenue recognition

The Group applied the following judgements and assumptions that significantly affect the determination of the amount and timing of revenue recognised from contracts with customers:

- For construction contracts, the Group measures the progress of construction work performed by comparing actual costs incurred to date against the total estimated costs required to complete the project. Significant judgement is involved in estimating the total costs to complete, taking into consideration current project performance, expected future costs, and project-specific circumstances. Changes in these estimates may have a direct impact on the amount of revenue recognised.

17. COST OF SALES

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Cost of goods sold	18,736	27,637	–	–
Contract costs recognised as an expense	23,808	34,177	–	–
Cost of developed properties	594	1,912	–	–
Direct operating expenses	1,645	3,638	641	762
Landscaping maintenance services	523	633	–	–
	45,306	67,997	641	762

18. FINANCE INCOME

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest income	142	263	2	30

19. FINANCE COSTS

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Interest expense from:				
- Hire purchase liabilities	28	47	–	–
- Lease liabilities	2	3	–	–
- Other finance costs	499	568	–	–
- Revolving credit	2,150	2,658	–	–
	2,679	3,276	–	–

20. (LOSS)/PROFIT BEFORE TAX

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
(Loss)/Profit before tax is arrived at after charging/ (crediting):					
Auditors' remuneration:					
KPMG PLT					
- Audit fees		308	308	85	85
- Non-audit fees		8	8	–	–
Material expenses/(income)					
Depreciation of property, plant and equipment	2	814	2,026	86	104
Depreciation of investment properties	3	876	781	318	360
Gain on disposal of property, plant and equipment		(104)	(1,733)	–	–
Gain on disposal of investment properties		(4,666)	(12,033)	–	(12,033)
Gain on liquidation of a joint venture		–	(182)	–	–
Impairment loss on investment properties	3	–	2,027	–	–
Property, plant and equipment written off		2	–	–	–
Impairment loss on investment in subsidiaries	4	–	–	–	99
Dividend income		–	–	(2,512)	(9,907)
Personnel expenses(including key management personnel):					
- Wages, salaries and others		9,927	9,905	929	(57)
- Contributions to Employees' Provident Fund		863	943	27	(5)
Expenses/(Income) arising from leases					
Expenses relating to short-term leases	20.1	2,204	1,913	9	9
Lease income from machinery and motor vehicle		(180)	(167)	–	–
Lease income from investment properties		(960)	(1,702)	(304)	(1,363)

20. (LOSS)/PROFIT BEFORE TAX (CONT'D)

		Group		Company	
	Note	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
(Loss)/Profit before tax is arrivedat after charging/ (crediting): (Cont'd):					
Net loss/(gain) on impairment of financial instruments and contract assets					
Impairment loss on financial assets at amortised cost					
- Trade receivables		14,825	3,582	–	–
- Other receivables and deposits		1,820	61	–	–
- Amounts due from subsidiaries		–	–	7	–
- Contract assets		6,450	–	–	–
Reversal of impairment loss on financial assets at amortised cost					
- Trade receivables		(24,588)	(2,360)	–	–
- Other receivables and deposits		(23)	(8)	–	–
- Amounts due from subsidiaries		–	–	–	(89)
- Contract assets		(574)	(671)	–	–
		(2,090)	604	7	(89)

20.1 Expenses relating to short-term leases

The Group leases property, plant and equipment and motor vehicles with contract terms of less than 1 year. These leases are short-term in nature and the Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

21. TAX (CREDIT)/EXPENSE

Recognised in profit or loss

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
Current tax (credit)/ expense					
Current year		153	1,537	11	272
(Over)/under provision in prior years		(279)	(107)	2	(11)
		(126)	1,430	13	261
Deferred tax expense					
Origination and reversal of temporary differences		(12)	(37)	–	–
	7	(12)	(37)	–	–
		(138)	1,393	13	261

Reconciliation of tax (credit)/expense

	Note	Group 2026 RM'000	Group 2025 RM'000	Company 2026 RM'000	Company 2025 RM'000
(Loss)/Profit before tax		(11,717)	11,918	797	21,996
Income tax calculated using Malaysian tax rate of 24 % (2025: 24%)		(2,811)	2,860	191	5,279
Non-deductible expenses		1,155	1,808	413	281
Non-taxable income	21.1	(1,066)	(3,045)	(603)	(5,288)
Utilisation of deferred tax asset previously not recognised		(1,136)	(123)	–	–
Deferred tax asset not recognised		3,999	–	10	–
		141	1,500	11	272
(Over)/under provision in prior years		(279)	(107)	2	(11)
		(138)	1,393	13	261

21. TAX (CREDIT)/EXPENSE (CONT'D)

21.1 Non-taxable income

Non-taxable income of the Group and of the Company mainly relates to dividend income and gain on disposal of investment properties. Gain on disposal of investment properties is subjected to Real Property Gains Tax while dividend income is capital gains not subject to tax. Both incomes are classified as non-taxable income under Income Tax Act 1967.

22. (LOSS)/EARNINGS PER ORDINARY SHARE

Basic (loss)/earnings per ordinary share

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

	Group	
	2026	**2025**
	RM'000	**RM'000**
(Loss)/Profit for the year attributable to owners of the Company	(11,579)	10,525
Weighted average number of ordinary shares at 31 March	99,645	99,645
	Sen	**Sen**
Basic (loss)/earnings per ordinary share	(11.62)	10.56

There is no dilution of earnings per share as there is no potential diluted ordinary shares.

23. DIVIDENDS

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

24. OPERATING SEGMENTS

Operating segments are components in which separate financial information is available that is evaluated regularly by the Executive Directors of the Group in deciding how to allocate resources and in assessing performance of the Group. The Group has five reportable segments as described below:

Trading	Sales of light and heavy machinery and trading of building materials
Property development	Development and sale of residential and commercial properties
Investment property	Rental of investment properties
Construction	Civil works contracting and landscape construction
Services	Rental of machineries and equipment, provision of transportation services, and landscape maintenance

24. OPERATING SEGMENTS (CONT'D)

The trading segment is operated by two main operating subsidiaries within the Group. These operating segments are aggregated to form a reportable segment due to the similar nature and economic characteristics of the products provided. The type of customers for these segments consists of commercial contractors.

Performance is measured based on segment profit before tax, interest and depreciation as included in the internal management reports that are reviewed by the Executive Director of the Group (the chief operating decision maker). Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Segment assets

The total of segment assets is measured based on all assets of a segment.

Segment liabilities

The total of segment liabilities is measured based on all liabilities of a segment.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property, plant and equipment.

24. OPERATING SEGMENTS (CONT'D)

	Trading		Property development		Investment property		Construction		Services		Eliminations		Consolidated	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Group														
Total external revenue	19,231	27,802	970	3,540	958	1,702	16,014	46,814	398	626	–	–	37,571	80,484
Inter-segment revenue	2,888	5,006	–	–	296	627	–	11	189	191	(3,373)	(5,835)	–	–
Total segment revenue	22,119	32,808	970	3,540	1,254	2,329	16,014	46,825	587	817	(3,373)	(5,835)	37,571	80,484
Share of profit/(loss) of equity accounted investments, net of tax	105	(246)	–	–	–	–	–	–	–	–	–	–	105	(246)
Segment profit/(loss)	4,472	(4,496)	309	960	4,250	10,624	(17,124)	9,440	(591)	(6)	–	(717)	(8,684)	15,805
Unallocated other expenses													(601)	(628)
Results from operating activities													(9,180)	14,931
Finance income	18	33	–	2	2	30	122	198	–	–	–	–	142	263
Finance costs	(292)	(255)	–	–	–	–	(2,387)	(3,021)	–	–	–	–	(2,679)	(3,276)
(Loss)/Profit before tax													(11,717)	11,918
Tax income/(expense)													138	(1,393)
Net (loss)/profit for the year													(11,579)	10,525
Included in measure of segment profit is:														
Depreciation of property, plant and equipment and investment properties	(97)	(182)	–	(4)	(555)	(1,115)	(647)	(1,079)	(391)	(427)	–	–	(1,690)	(2,807)
Net gain/(loss) on impairment of financial instruments and contract assets	6,170	(2,107)	–	96	9	(39)	(4,607)	1,736	518	(290)	–	–	2,090	(604)

24. OPERATING SEGMENTS (CONT'D)

	Trading		Property development		Investment property		Construction		Services		Eliminations		Consolidated	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Group														
Segment assets	77,044	72,961	13,795	14,667	112,244	114,629	173,820	194,056	12,691	10,427	–	–	389,594	406,740
Unallocated assets													775	(248)
Total assets													390,369	406,492
Included in measure of segment assets are:														
Investments in associates	1,766	1,661	–	–	–	–	–	–	–	–	–	–	1,766	1,661
Capital expenditure of property, plant and equipment and investment properties	22	–	–	6,660	–	8	80	357	–	2	–	–	102	7,027
Segment liabilities	(16,832)	(13,000)	(23,431)	(23,505)	(6)	(62)	(117,104)	(125,440)	(5,466)	(4,341)	–	–	(162,839)	(166,348)
Unallocated liabilities													(61)	(1,089)
Total liabilities													(162,900)	(167,437)

Geographical information

The revenues of the Group are from its operations in Malaysia.

All non-current assets of the Group were maintained within Malaysia.

Major customers

Revenue from five customers (2025: five customers) of the Group amounted to RM30,084,000 (2025: RM66,359,000) which contributed to 80% (2025: 82%) of the Group's revenue.

25. FINANCIAL INSTRUMENTS

25.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC").

	Carrying amount RM'000	AC RM'000
2026		
Group		
Financial assets		
Trade and other receivables*	204,008	204,008
Cash and cash equivalents	665	665
	204,673	204,673
Financial liabilities		
Borrowings#	(46,373)	(46,373)
Trade and other payables^	(106,060)	(106,060)
	(152,433)	(152,433)
Company		
Financial assets		
Trade and other receivables*	18,484	18,484
Cash and cash equivalents	65	65
	18,549	18,549
Financial liabilities		
Borrowings	(15,000)	(15,000)
Trade and other payables	(1,148)	(1,148)
	(16,148)	(16,148)
2025		
Group		
Financial assets		
Trade and other receivables*	202,146	202,146
Cash and cash equivalents	6,010	6,010
	208,156	208,156
Financial liabilities		
Borrowings#	(45,008)	(45,008)
Trade and other payables^	(111,563)	(111,563)
	(156,571)	(156,571)

25. FINANCIAL INSTRUMENTS (CONT'D)

25.1 Categories of financial instruments (Cont'd)

The table below provides an analysis of financial instruments categorised as amortised cost ("AC") (Cont'd).

	Carrying amount RM'000	AC RM'000
2025		
Company		
Financial assets		
Trade and other receivables*	21,157	21,157
Cash and cash equivalents	1,341	1,341
	22,498	22,498
Financial liabilities		
Borrowings	(16,336)	(16,336)
Trade and other payables	(424)	(424)
	(16,760)	(16,760)

* *Excluding amounts due from sub-contractors and prepayments.*
\# *Excluding lease liabilities.*
^ *Excluding contract advances from a customer.*

25.2 Net gains and losses arising from financial instruments

	Group		Company	
	2026 RM'000	2025 RM'000	2026 RM'000	2025 RM'000
Net (losses)/gains on:				
Financial assets at amortised cost	2,232	(341)	(5)	119
Financial liabilities at amortised cost	(2,677)	(3,273)	–	–
	(445)	(3,614)	(5)	119

25.3 Financial risk management

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from trade receivables and contract asset, other receivables and deposits, cash and cash equivalent, and amounts due from subsidiaries. There are no significant changes as compared to prior periods.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

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

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or fully) when there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

Exposure to credit risk, credit quality and collateral

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

Concentration of credit risk

As at 31 March 2026, the Group has significant concentration of credit risk in the form of outstanding balances from seven customers (2025: six customers) which amounted to RM54,951,000 (2025: RM41,120,000) representing 22% (2025: 16%) of total trade receivables and contract assets, and outstanding balances from five related parties (2025: five related parties) amounting to RM162,223,000(2025: RM164,745,000) representing 65% (2025: 65%) of the total trade receivables and contract assets.

The disclosure of the credit risk exposure for trade receivables and contract assets as at the end of the reporting period by geographic region is not disclosed as the Group's and the Company's business are operated solely in Malaysia.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment losses

In managing credit of trade receivables and contract assets, the Group and the Company manage their debtors and take appropriate actions (including but not limited to legal actions) to recover long overdue balances.

The Group adopts the simplified approach and uses an allowance matrix to measure expected credit losses ("ECLs") of trade receivables and contract assets for all segments except for construction segment and property development segment.

ECL is estimated based on an analysis of the actual historical default rates. The default rates are also critically evaluated based on the expectations of the responsible management team regarding the collectability of the receivables.

The Group also considers differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believes that these factors are immaterial for the purpose of impairment calculation for the year.

For construction contracts, as there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable.

The Group does not have any significant credit risk from its property development activities as its products are predominantly sold to property purchasers with end financing facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties revert to the Group in the event of default, and the products do not suffer from physical, technological nor fashion obsolescence.

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

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
2026			
Current (not past due)	70,385	–	70,385
1 - 90 days past due	6,066	–	6,066
91 - 180 days past due	7,507	–	7,507
Past due more than 180 days	185,796	(20,500)	165,296
	269,754	(20,500)	249,254

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment losses (Cont'd)

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

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Group			
2026 (Cont'd)			
Credit impaired			
Trade receivables individually impaired	11,225	(11,225)	–
Retention sums individually impaired	4,771	(4,771)	–
Contract assets individually impaired	766	(766)	–
	16,762	(16,762)	–
	286,516	(37,262)	249,254
Represents by:			
Trade receivables	225,768	(29,453)	196,315
Contract assets	60,748	(7,809)	52,939
	286,516	(37,262)	249,254
2025			
Current (not past due)	95,357	(6,858)	88,499
1 - 90 days past due	23,957	(1,723)	22,234
91 - 180 days past due	7,847	(564)	7,283
Past due more than 180 days	146,034	(10,502)	135,532
	273,195	(19,647)	253,548
Credit impaired			
Trade receivables individually impaired	21,289	(21,289)	–
Retention sums individually impaired	213	(213)	–
	21,502	(21,502)	–
	294,697	(41,149)	253,548
Represents by:			
Trade receivables	231,823	(39,216)	192,607
Contract assets	62,874	(1,933)	60,941
	294,697	(41,149)	253,548

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment losses (Cont'd)

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

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Company			
2026			
Current (not past due)	5	–	5
1 - 90 days past due	11	–	11
91 - 180 days past due	11	–	11
Past due more than 180 days	65	–	65
Trade receivables	92	–	92
2025			
Current (not past due)	8	–	8
1 - 90 days past due	19	–	19
91 - 180 days past due	10	–	10
Past due more than 180 days	24	–	24
Trade receivables	61	–	61

Trade receivables that are past due but not impaired are creditworthy debtors with good payment records with the Group and the Company.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Trade receivables and contract assets (Cont'd)

Recognition and measurement of impairment losses (Cont'd)

The movements in the allowance for impairment in respect of trade receivables and contract assets of the Group and of the Company during the year are shown below:

	Trade receivables		Contract assets		
	Lifetime ECL RM'000	Credit impaired RM'000	Lifetime ECL RM'000	Credit impaired RM'000	Total RM'000
Group					
Balance at 1 April 2024	16,264	21,730	2,604	–	40,598
Impairment loss	2,916	666	–	–	3,582
Reversal of impairment loss	(1,466)	(894)	(671)	–	(3,031)
Balance at 31 March 2025/ 1 April 2025	17,714	21,502	1,933	–	41,149
Impairment loss	9,569	5,256	5,684	766	21,275
Reversal of impairment loss	(13,826)	(10,762)	(574)	–	(25,162)
Balance at 31 March 2026	13,457	15,996	7,043	766	37,262

Cash and cash equivalents

The cash and cash equivalents are held with licensed banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amounts in the statements of financial position.

These licensed banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Other receivables and deposits

Risk management objectives, policies and processes for managing the risk

Credit risks on other receivables and deposits are mainly arising from other debtors and deposits paid for utilities deposits. These deposits will be received at the end of each lease terms. The Group and the Company manage the credit risk together with the leasing arrangement.

Exposure to credit risk, credit quality and collateral

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

Recognition and measurement of impairment loss

The movements in the allowance for impairment in respect of other receivables and deposits of the Group during the year are shown below:

	Other receivables RM'000	Deposits RM'000	Total RM'000
Group			
Balance at 1 April 2024	35	2,041	2,076
Impairment loss	61	–	61
Reversal of impairment loss	(8)	–	(8)
Balance at 31 March 2025/ 1 April 2025	88	2,041	2,129
Impairment loss	1,820	–	1,820
Reversal of impairment loss	(23)	–	(23)
Balance at 31 March 2026	1,885	2,041	3,926

Other than the impairment loss made above, the Group and the Company are of the view that the loss allowance is not material in relation to the remaining other receivables and deposits balances at financial year end and hence, it is not provided for.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Financial guarantees

Risk management objectives, policies and processes for managing the risk

The Company provides unsecured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loans on an individual basis.

Exposure to credit risk, credit quality and collateral

The maximum exposure to credit risk amounts to RM21,500,000 (2025: RM21,500,000) representing the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

The financial guarantees are provided as credit enhancements to the subsidiaries' banking facilities.

Recognition and measurement of impairment loss

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

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

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

No impairment loss was provided for financial guarantees during the financial year.

Amounts due from subsidiaries

Risk management objectives, policies and processes for managing the risk

The Company transacts with its subsidiaries. The Company monitors the ability of the subsidiaries to repay its debts on an individual basis.

Exposure to credit risk, credit quality and collateral

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

Amounts due from subsidiaries are not secured by any collateral or supported by any other credit enhancements.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Amounts due from subsidiaries (Cont'd)

Recognition and measurement of impairment loss

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

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

The Company determines the probability of default for these amounts due individually using internal information available.

The following table provides information about the exposure to credit risk for amounts due from subsidiaries.

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
Company			
2026			
Low credit risk	18,046	–	18,046
Credit impaired	8	(8)	–
	18,054	(8)	18,046
2025			
Low credit risk	20,415	–	20,415
Credit impaired	1	(1)	–
	20,416	(1)	20,415

25. FINANCIAL INSTRUMENTS (CONT'D)

25.4 Credit risk (Cont'd)

Amounts due from subsidiaries (Cont'd)

Recognition and measurement of impairment loss (Cont'd)

The movement in the allowance for impairment in respect of amounts due from subsidiaries of the Company during the year are shown below:

	Credit impaired RM'000
Company	
Balance at 1 April 2024	90
Reversal of impairment loss	(89)
Balance as at 31 March 2025/1 April 2025	1
Impairment loss recognised	7
Balance as at 31 March 2026	8

Other than the impairment loss made above, the Company is of the view that the loss allowance is not material in relation to the remaining amounts due from subsidiaries at financial year end and hence, it is not provided for.

25.5 Liquidity risk

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

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

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

25. FINANCIAL INSTRUMENTS (CONT'D)

25.5 Liquidity risk (Cont'd)

Maturity analysis

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

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
Group						
2026						
Non-derivative financial liabilities						
Hire purchase liabilities	523	2.13 - 2.36	552	235	199	118
Lease liabilities	37	6.78	41	17	11	13
Bankers' acceptances	9,350	4.01 - 11.1	9,437	9,437	–	–
Revolving credits	36,500	5.32 - 6.45	36,680	36,680	–	–
Trade and other payables	106,060		106,060	106,060	–	–
	152,470		152,770	152,429	210	131
2025						
Non-derivative financial liabilities						
Hire purchase liabilities	774	2.13 - 3.50	829	262	235	332
Lease liabilities	31	6.78	33	19	8	6
Bankers' acceptances	6,059	3.77 - 4.75	6,136	6,136	–	–
Revolving credits	36,500	5.25 - 6.45	36,687	36,687	–	–
Trade and other payables	111,563	–	111,563	111,563	–	–
Bank overdraft	1,675	13.53	1,675	1,675	–	–
	156,602		156,923	156,342	243	338

25. FINANCIAL INSTRUMENTS (CONT'D)

25.5 Liquidity risk (Cont'd)

Maturity analysis (Cont'd)

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

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000
Company						
2026						
Non-derivative financial liabilities						
Trade and other payables	1,148	–	1,148	1,148	–	–
Revolving credits	15,000	6.11 - 6.44	15,081	15,081	–	–
Financial guarantees to subsidiaries	–	–	21,500	21,500	–	–
	16,148		37,729	37,729	–	–
Company						
2025						
Non-derivative financial liabilities						
Trade and other payables	424	–	424	424	–	–
Bankers' acceptances	1,336	3.77	1,351	1,351	–	–
Revolving credits	15,000	5.74 - 6.44	15,081	15,081	–	–
Financial guarantees to subsidiaries	–	–	21,500	21,500	–	–
	16,760		38,356	38,356	–	–

25. FINANCIAL INSTRUMENTS (CONT'D)

25.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices that will affect the Group's and the Company's financial position or cash flows. The Group and the Company are not exposed to any significant foreign currency risks.

25.6.1 Interest rate risk

The Group's and the Company's fixed rate borrowings are not significantly exposed to interest rate risks. The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

Risk management objectives, policies and processes for managing the risk

Interest rate exposure arising from the Group's and the Company's borrowings is managed through the use of fixed and floating rate debts. The Group and the Company do not use derivative financial instrument to hedge its debt obligation.

Exposure to interest rate risk

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

	Group		**Company**	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Fixed rate instruments				
Financial liabilities				
Hire purchase liabilities	(523)	(774)	–	–
Lease liabilities	(37)	(31)	–	–
	(560)	(805)	–	–
Floating rate instruments				
Financial asset				
Advances to a subsidiary	–	–	15,000	15,000
Financial liabilities				
Bankers' acceptances	(9,350)	(6,059)	–	(1,336)
Revolving credits	(36,500)	(36,500)	(15,000)	(15,000)
Bank overdraft	–	(1,675)	–	–
	(45,850)	(44,234)	(15,000)	(16,336)

25. FINANCIAL INSTRUMENTS (CONT'D)

25.6 Market risk (Cont'd)

25.6.1 Interest rate risk (Cont'd)

Interest rate risk sensitivity analysis

(a) Fair value sensitivity analysis for fixed rate instruments

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

(b) Cash flow sensitivity analysis for variable rate instruments

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

	Profit or loss	
	100 bp increase RM'000	**100 bp decrease RM'000**
Group		
2026		
Floating rate instruments	(348)	348
2025		
Floating rate instruments	(336)	336
Company		
2026		
Floating rate instruments	–	–
2025		
Floating rate instruments	(10)	10

25.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments. Accordingly, the fair values and fair value hierarchy levels have not been presented for these instruments.

The carrying amounts of lease liabilities approximate their fair values as these liabilities are discounted using the Group's incremental borrowing rate, which approximates the current market borrowing rates of similar instruments at the end of the reporting period.

25. FINANCIAL INSTRUMENTS (CONT'D)

25.7 Fair value information (Cont'd)

The table below analyses other financial instruments for which fair value is disclosed, together with their carrying amounts shown in the statements of financial position.

	Level 3 RM'000	Total fair value RM'000	Carrying amount RM'000
Group			
2026			
Financial assets			
Not measured at fair value			
Trade receivables	100,000	100,000	100,000
Financial liabilities			
Not measured at fair value			
Hire purchase liabilities	(552)	(552)	(523)
2025			
Financial assets			
Not measured at fair value			
Trade receivables	92,391	92,391	92,391
Financial liabilities			
Not measured at fair value			
Hire purchase liabilities	(830)	(830)	(774)

Level 3 fair value

Level 3 fair value is estimated using inputs for the financial assets or liabilities that are not based on observable market data (unobservable inputs). The fair value within Level 3 of the trade receivables and hire purchase liabilities are determined by using estimated future cash flows discounted using market related rate for a similar instrument at the reporting date. The interest rate used to discount the estimated cash flows for the trade receivables and hire purchase of the Group are 6.5% and 2.13% to 2.36% (2025: 5.74% and 2.13% to 3.50%), respectively.

26. CAPITAL MANAGEMENT

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

26. CAPITAL MANAGEMENT (CONT'D)

The Group's strategy is to maintain the debt-to-equity ratio below 1. The debt-to-equity ratios at 31 March 2026 and at 31 March 2025 were as follows:

	Group	
	2026	**2025**
	RM'000	**RM'000**
Borrowings (Note 14)	46,410	45,039
Less: Cash and cash equivalents (Note 12)	(665)	(4,335)
Net debt	45,745	40,704
Total equity	227,469	239,055
Debt-to-equity ratios	0.20	0.17

27. CAPITAL COMMITMENTS

There has been no capital expenditure committed by the Group and by the Company as at the current and previous financial year end.

28. MATERIAL LITIGATION

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Group	
	2026	**2025**
	RM'000	**RM'000**
Contingent liabilities not considered remote		
Litigation		
A subsidiary is defending an action brought by Tenaga Nasional Berhad. While liability is not admitted, if defence against the action is unsuccessful, then fines and legal costs could amount to RM76,565,000. Based on the outcome of the legal assessments, the Directors do not expect the outcome of the action to have a material effect on the Group's financial position. In the Directors' opinion, disclosure of any further information about the above matter would be prejudicial to the interests of the Group.	76,565	76,565

29. RELATED PARTIES

Identity of related parties

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

Related parties also include key management personnel defined as those having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel are Directors of the Group and other person having authority and responsibility in planning, directing and controlling the activities of the entity either directly or indirectly. The persons are the Group Chief Executive Officer, Group Chief Financial Officer, General Manager and Project Directors.

The Group has related party relationships with its significant investors, subsidiaries, associates, key management personnel and with the following companies, which are deemed related to the Directors and major shareholders, as follows:

i) Ekovest Berhad and its subsidiaries is deemed related to Tan Sri Dato' Lim Kang Hoo, Lim Chen Thai and Lim Chen Herng;

ii) PLS Plantation Berhad and its subsidiaries, Iskandar Waterfront Holdings Sdn. Bhd. and its subsidiaries, Iskandar Waterfront City Berhad and its subsidiaries, are deemed related to Tan Sri Dato' Lim Kang Hoo and Lim Chen Herng;

iii) WCM Machinery Sdn. Bhd. and WCM Powers Sdn. Bhd. are deemed related to Tan Sri Dato' Lim Kang Hoo and Dato' Lim Kang Swee;

iv) Lim Chen Herng and Lim Chen Thai are sons of Tan Sri Dato' Lim Kang Hoo. They are deemed to be related in transactions where Tan Sri Dato' Lim Kang Hoo is related and vice versa; and

v) Ekocheras Tower A Sdn. Bhd., Ekocheras Tower H and J Sdn. Bhd., and Ekocheras Tower E Sdn. Bhd. are deemed related to Lim Chen Thai.

29. RELATED PARTIES (CONT'D)

Significant related party transactions

Related party transactions have been entered into the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in Notes 10 and 15.

	Group		Company	
	2026 RM'000	**2025 RM'000**	**2026 RM'000**	**2025 RM'000**
Related parties				
Sale and rental of machinery and equipment, transportation charges and sale of building materials	9,935	14,418	–	–
Construction and maintenance services	4,409	15,837	–	–
Purchase and rental of machinery and equipment, purchase of building materials and miscellaneous services	(1,613)	(2,876)	–	–
Expenses relating to short-term leases	(174)	(154)	–	–
Lease income received	455	461	42	42
Subsidiaries				
Dividend income received	–	–	2,512	9,907
Lease income received	–	–	185	683
Key management personnel				
Directors				
- Fees	300	282	260	276
- Remuneration	1,369	1,894	1,138	1,663
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	62	64	5	7
	1,731	2,240	1,403	1,946
Other key management personnel				
- Remuneration	1,882	1,829	975	975
- Other short-term employee benefits (including estimated monetary value of benefits-in-kind)	45	43	7	7
	1,927	1,872	982	982
	3,658	4,112	2,385	2,928

30. DETAILS OF SUBSIDIARIES

The principal activities of the subsidiaries, which are all incorporated in Malaysia and the effective ownership and voting interest of the Company are shown below:

Name of entity	Principal activities	Effective ownership interest and voting interest	
		2026	**2025**
		%	**%**
Subsidiaries			
Knusford Holdings Sdn. Bhd.	Investment holding	100	100
Knusford Equipment Sdn. Bhd.	Rental of machinery and equipment, provision of transportation services and trading of building materials	100	100
Knusford Construction Sdn. Bhd.	Civil works contracting	100	100
D-Hill Sdn. Bhd.	Property development	100	100
Kota Ekspres Sdn. Bhd.	Investment holding	100	100
Lakaran Cahaya Sdn. Bhd.	Has not commenced operations	100	100
Knusford Oil & Gas Sdn. Bhd.	Dormant	100	100
Knusford Project Management Sdn. Bhd.	Project management services	100	100
Knusford Resources Sdn. Bhd.	Trading in building materials and investment holding	100	100
Subsidiaries of Knusford Holdings Sdn. Bhd.			
Knusford Marketing Sdn. Bhd.	Trading in building materials	100	100
Hi-Plus Development Sdn. Bhd.	Dormant	100	100
Knusford Landscape Sdn. Bhd.	Landscape construction and maintenance activities	100	100
Yasmin Marine Technology Sdn. Bhd. #	Rental of machinery and equipment	10	10
Subsidiaries of Knusford Equipment Sdn. Bhd.			
Radiant Seas Sdn. Bhd.	Sand trading, rental of machinery and equipment and trading in building materials	100	100
Yasmin Marine Technology Sdn. Bhd. #	Rental of machinery and equipment	90	90

Collectively effective interest rate of 100%

STATEMENT BY DIRECTORS

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

In the opinion of the Directors, the financial statements set out on pages 96 to 159 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026 and of their financial performance and cash flows for the financial year then ended.

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

....

Lim Chen Herng
Director

....

Lim Chen Thai
Director

Kuala Lumpur

Date: 24 July 2026

STATUTORY DECLARATION

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

I, **Lee Mong Fang**, the officer primarily responsible for the financial management of Knusford Berhad, do solemnly and sincerely declare that the financial statements set out on pages 96 to 159 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Lee Mong Fang, MIA CA 10605, in Kuala Lumpur, Wilayah Persekutuan on 24 July 2026.

....

Lee Mong Fang

Before me:

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KNUSFORD BERHAD

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Knusford Berhad, which comprise the statements of financial position as at 31 March 2026 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 96 to 159.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters

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

<table>
<tr><th colspan="2">1. Valuation of trade receivables and contract assets</th></tr>
<tr><td colspan="2">Refer to Note 10 – Trade and other receivables, Note 11 – Contract with customers, and Note 25.4 – Credit risk</td></tr>
<tr><th>The key audit matter</th><th>How the matter was addressed in our audit</th></tr>
<tr><td>The valuation of trade receivables and contract assets are a key audit matter as the recoverability and the level of impairment loss of trade receivables and contract assets are considered to be significant risks due to the magnitude of these balances to the financial statements.

The level of impairment loss involves Director's judgement based upon the debtors' credit risk evaluation, historical payment trends and subsequent to period end collections. There is a risk that the Group's assessment of the level of these impairment loss is insufficient or inaccurate.</td><td>We performed the following audit procedures, amongst others, around the valuation of trade receivables:

• We evaluated the appropriateness of the expected credit loss assessment in accordance with MFRS 9;

• We tested the accuracy of the underlying information of the trade receivables ageing used to assess the adequacy of impairment loss of trade receivables and contract assets;

• We checked the subsequent receipts against trade receivables and investigated the significant individual overdue balances by reference to track record of recoveries and review of correspondences with the customers; and

• We assessed the adequacy of Group's disclosure on expected credit loss and relevant credit risks of trade receivables and contract assets.</td></tr>
</table>

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya, Selangor

Date: 24 July 2026

Lam Shuh Siang
Approval Number: 03045/02/2027 J
Chartered Accountant

ADDITIONAL COMPLIANCE INFORMATION

- **MATERIAL LITIGATION, CLAIMS AND ARBITRATION OF KNUSFORD BERHAD AND ITS SUBSIDIARIES**

Save as disclosed below as at 31 March 2026, neither the Company nor its subsidiaries are engaged in any material litigation, claims or arbitration, either as plaintiff or defendant and the Board is not aware of, nor does it have knowledge of, any proceedings, pending against or threatening the Group or any facts likely to give rise to any proceedings which might materially and adversely affect the financial position or business of the Company and its subsidiaries.

Writ and Statement of Claim by Tenaga Nasional Berhad ("Plaintiff") vs Tebrau Bay Constructions Sdn Bhd ("1st Defendant"), Iskandar Waterfront City Berhad ("2nd Defendant"), Tebrau Bay Sdn Bhd ("3rd Defendant") and Pembinaan Hamid Abd. Rahman Sdn Bhd ("3rd Party") and Radiant Seas Sdn Bhd ("4th Party") and Sharikat Sukma Kemajuan dan Perusahaan Sdn Bhd ("5th Party")

On 22 January 2025, the Company's wholly-owned subsidiary, Radiant Seas Sdn Bhd ("RSSB") was served with an Amended Writ and Statement of Claim dated 15 December 2021, pursuant to a legal action initiated by Tenaga Nasional Berhad ("TNB") in relation to Civil Suit No. JA-22NCVC-149-11/2020.

The litigation relates to claims by TNB against Tebrau Bay Constructions Sdn Bhd, Iskandar Waterfront City Berhad and Tebrau Bay Sdn Bhd arising from alleged trespass and negligence in connection with reclamation works carried out at Lot PTD 121257, Kampung Senibong, which allegedly encroached upon TNB's right of way and caused damage to submarine cables.

Subsequently, third-party proceedings were initiated against Pembinaan Hamid Abd. Rahman Sdn Bhd ("PHSB"), which thereafter commenced fourth-party proceedings against RSSB as its subcontractor, seeking indemnity and/or contribution in the event PHSB is found liable under the third-party claim. RSSB subsequently initiated fifth-party proceedings against Sharikat Sukma Kemajuan dan Perusahaan Sdn Bhd.

TNB is seeking, among others, damages amounting to RM76.56 million together with general damages, aggravated and exemplary damages, interest, costs and injunctive relief.

During the financial year, several case managements and court proceedings were conducted. On 14 January 2026, the Court of Appeal allowed the fourth-party appeal and set aside the High Court's earlier order dismissing the Fourth Party application, resulting in RSSB remaining as a party to the proceedings for purposes of the indemnity and/or contribution claim.

The High Court had directed that the issue of liability in the main action between TNB and the Defendants be determined first, and any liability on the part of RSSB, if any, would be contingent upon the outcome of the main suit.

The 5th Party filed its Memorandum of Appearance on 8 May 2026 and was granted leave by the High Court, to file its Statement of Defence on a later date. The 4th Party shall file its Statement in Reply upon receipt of the 5th Party's Statement of Defence.

Pursuant to the directions issued by the High Court in relation to the Fourth Party and Fifth Party Proceedings, the trial and/or determination of the issues relating to the liability of the 4th Party to indemnify the 3rd Party, and the liability of the 5th Party to indemnify the 4th Party, shall be conducted after the trial between the Plaintiff and the 1st Defendant, 2nd Defendant and 3rd Defendant, unless otherwise directed by the High Court Judge.

The matter is currently ongoing and the Company is taking the necessary steps to defend the claim. The Company will make further announcements on any material developments as and when necessary.

MATERIAL LITIGATION, CLAIMS AND ARBITRATION OF KNUSFORD BERHAD AND ITS SUBSIDIARIES (CONT'D)

For details, please refer to the announcement dated 23 January 2025, 14 March 2025, 28 April 2025, 16 July 2025, 26 November 2025, 28 November 2025, 8 January 2026, 29 April 2026 and 29 May 2026.

Financial and Operational Impact

The Board believes that RSSB has reasonable grounds to defend against the allegations, as the Submarine Cables in question were laid outside of the Plaintiff's designated ROW. Furthermore, the Plaintiff has not provided sufficient specificity regarding the alleged location of the damage to the Submarine Cables, which is a material element of their claim.

Additionally, the works in question were subcontracted to a duly licensed ultimate subcontractor, which held the necessary permits to conduct the reclamation activities. The Board maintains that RSSB should not be held liable for any alleged negligence on the part of the independent ultimate subcontractor, as it exercised due diligence in the engagement process.

UTILISATION OF PROCEEDS

Save as disclosed in the section of material contracts, no other proceeds were raised by the Company from any corporate exercise during the financial year.

NON-AUDIT FEES

The amount of non-audit fee incurred for services rendered to the Company and the Group by the External Auditors for the financial year ended 31 March 2026 amounted to RM8,000 and RM8,000 respectively.

There is no non-audit fee incurred for services rendered to the Company and the Group by a firm or corporation affiliated to the External Auditors for the financial year ended 31 March 2026.

MATERIAL CONTRACTS

Save and disclosed below, neither the Company nor its subsidiaries has entered into any material contracts or material loans, not being contracts entered into the ordinary course of business, within two (2) years immediately preceding the date of this Report.

1) On 27 September 2023, the Company received a letter of proposal dated the same day ("Proposal Letter") from Tan Sri Dato' Lim Kang Hoo ("TSDLKH"), a major shareholder of the Company and the Group Executive Chairman, who is also a major shareholder of Ekovest Berhad ("Ekovest"). The Proposal Letter requested the Company to consider participating in a reorganisation, rationalisation, and merger exercise involving, among others, the proposed merger of the construction and construction-related businesses of Ekovest and Knusford through the acquisition by Knusford of the entire issued share capital of Ekovest Construction Sdn Bhd ("ECSB"), a wholly-owned subsidiary of Ekovest and its existing construction arm ("Proposed Knusford–ECSB Merger").

   Pursuant thereto, on 27 October 2023, the Company entered into a binding heads of merger agreement ("HOA") with Ekovest to exclusively explore and negotiate the Proposed Knusford–ECSB Merger. Under the HOA, the Company proposes to acquire the entire equity interest in ECSB from Ekovest for an indicative purchase consideration of RM450 million to be arrived at on a willing-buyer, willing-seller basis, taking into consideration the audited net assets of ECSB as at 30 June 2023.

- **MATERIAL CONTRACTS (CONT'D)**

Under the terms of the HOA, both parties have agreed to use their best endeavours to negotiate in good faith and enter into the definitive agreement within four (4) months from the date of the HOA, with an automatic extension of three (3) months thereafter, or such further extended period as may be mutually agreed upon ("Expiry Date").

On 27 May 2024, the Parties mutually agreed to extend the HOA to 27 July 2024. Subsequently, on 26 July 2024, the Parties further agreed to extend the HOA for an additional six (6) months, from 28 July 2024 to 27 January 2025.

On 27 January 2025, the Parties have mutually agreed for a final extension of 6 months from 28 January 2025 to 27 July 2025, to grant more time for the Parties to assess, evaluate and deliberate the Proposed Knusford-ECSB Merger.

On 28 July 2025, the Board announced that the HOA had lapsed on 27 July 2025.

2) The Company had on 27 March 2024, entered into a conditional SPA with Emerald Plan Sdn. Bhd. to dispose a freehold land together with the buildings erected thereon held under HSD 51799, PT 43447, Mukim and District of Klang, Selangor with a provisional land area of 25,625.48 square metres (approximately 275,832 square feet) bearing postal address of No. 8, Jalan Kecapi 33/2, Taman Perindustrian Elite, Seksyen 33, 40350 Shah Alam, Selangor Darul Ehsan for a cash consideration of RM28.0 million.

At the Extraordinary General Meeting held on 28 June 2024, the Shareholders of the Company had approved the proposed disposal.

The disposal was completed on 23 October 2024.

The status of utilisation of proceeds raised from the proposed disposal as at 31 March 2025 are as follows:

Purpose	Gross Proceeds (RM'000)	Actual Utilisation (RM'000)	Balance (RM'000)	Intended timeframe for utilisation
Repayment of bank borrowings	12,207	12,207	–	Within 3 months
Working capital	14,143	14,143	–	Within 12 months
Estimated expenses in relation to the proposed disposal	1,650	1,650	–	Within 6 months
	28,000	**28,000**	**–**	

3) The wholly owned subsidiary of the Company, Knusford Holdings Sdn Bhd, had on 11 March 2026, entered into a conditional sale and purchase agreement with Tahap Juara Sdn Bhd to dispose of all that piece of freehold land held under Geran Mukim 348, Lot 3658, in the Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur for a cash consideration of Ringgit Malaysia Seven Million (RM7,000,000) only.

The disposal was completed on 11 June 2026.

• PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE NATURE OR TRADING NATURE

Pursuant to paragraph 10.09 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company will be seeking shareholders' mandate for the Group to enter into recurrent related party transactions of a revenue or trading nature, at the forthcoming Annual General Meeting of Knusford Berhad scheduled to be held on 10 September 2026.

• DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

A Group Total Income and Total Assets

		Group	
	Remarks	**2026**	**2025**
Total Income		**RM'000**	**RM'000**
Revenue		37,571	80,484
Other income		5,006	14,588
Finance income		142	263
Dividend income		–	–
Share of result of associate		105	(246)
Total		42,824	95,089
Total Assets		390,369	406,492

B Business Activities

	Remarks	**2026**	**2025**
Shariah non-compliance activities		**RM'000**	**RM'000**
Rental income received from tenant involved in Shariah non-compliant activities		139	139
Dividend income received from conventional shares and instruments			
Gain from investment in conventional instruments		–	182
Insurance income		–	258
Interest income	Conventional	142	263
Total		281	842

• DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING (CONT'D)

C Component of Financial Position

(i) Cash Component

Shariah non-compliance activities	Remarks	Group 2026 RM'000	Group 2025 RM'000
Islamic Account/Instruments			
Cash at Bank	Conventional	509	5,758
Conventional Account/Instruments			
Cash at Bank	Islamic	25	131
Total		534	5,889

(i) Debt Component

	Remarks	Group 2026 RM'000	Group 2025 RM'000
Islamic Financing			
Current			
Hire purchase	Islamic	86	187
Revolving credit	Islamic	11,500	11,500
Total		11,586	11,687
Conventional Borrowing			
Current			
Hire purchase	Conventional	437	587
Revolving credit	Conventional	25,000	25,000
Overdraft	Conventional	–	1,675
Banker acceptance	Conventional	9,350	6,059
Total		34,787	33,321
Total Debts		46,373	45,008

ANALYSIS OF SHAREHOLDING

Statement Date : 3 July 2026

I SUBSTANTIAL SHAREHOLDERS

	Name	Direct Shareholdings	%	Indirect Shareholdings	%
1	DYAM Tunku Ismail Ibni Sultan Ibrahim	–	–	30,000,000 [1]	30.11
2	Aman Setegap Sdn. Bhd.	30,000,000	30.11	–	–
3	Kinston Park Sdn. Bhd.	2,410,000	2.42	30,000,000 [2]	30.11
4	Dato' Lim Kang Swee	10,614,354	10.65	440,000 [3]	0.44
5	Khoo Chang Chiang	8,124,122	8.15	–	–
6	Tan Sri Dato' Lim Kang Hoo	615,749	0.62	32,410,000 [4]	32.53
	TOTAL	51,764,225	51.95		

II DIRECTORS' AND CHIEF EXECUTIVE OFFICER (CEO) SHAREHOLDINGS

	Name	Direct Shareholdings	%	Indirect Shareholdings	%
1	DYAM Tunku Ismail Ibni Sultan Ibrahim	–	–	30,000,000 [1]	30.11
2	Lim Chen Herng	–	–	–	–
3	Lim Chen Thai	58,300	0.06	–	–
4	Lim Sew Hua	1,283,000	1.29	–	–
5	Kang Hui Ling	–	–	–	–
6	Liew Voon Keong	–	–	–	–
7	Jasmine Cheong Chi-May	–	–	–	–
8	Lim Ts-Fei	10,000	0.01	–	–
9	Dato' Seri Mohamad Jaifuddin Bin Bujang Mohidin (Alternate Director to DYAM Tunku Ismail Ibni Sultan Ibrahim)	–	–	–	–
10	Heng Hock Lai (CEO)	–	–	–	–
	TOTAL	1,351,300	1.36		

Notes:
[1] Deemed interest by virtue of his shareholding in Aman Setegap Sdn. Bhd.
[2] Deemed interest by virtue of its shareholding in Aman Setegap Sdn. Bhd.
[3] Deemed interest by virtue of his shareholding in WCM Ventures Sdn. Bhd.
[4] Deemed interest by virtue of his shareholding in Aman Setegap Sdn. Bhd. and Kinston Park Sdn. Bhd.

ANALYSIS OF SHAREHOLDING (CONT'D)

III CLASS OF EQUITY SECURITY

Total Number of Issued Shares	:	99,645,002
Class of Security	:	Ordinary Share
No. of Shareholders	:	1,015
Voting Rights	:	One (1) vote per ordinary share

IV DISTRIBUTION BY SIZE OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shareholdings	%
Less than 100	20	1.97	326	0.00
100 to 1,000	401	39.51	161,500	0.16
1,001 to 10,000	346	34.09	1,722,205	1.73
10,001 to 100,000	180	17.73	5,981,550	6.00
100,001 to less than 5% of issued shares	65	6.40	46,511,299	46.68
5% and above of issued shares	3	0.30	45,268,122	45.43
TOTAL	1,015	100.00	99,645,002	100.00

THIRTY (30) LARGEST SHAREHOLDERS

	Name	Shareholdings	%
1	AMAN SETEGAP SDN. BHD.	30,000,000	30.11
2	KHOO CHANG CHIANG	8,124,122	8.15
3	DATO' LIM KANG SWEE	7,144,000	7.17
4	SUHAIZI BIN HAMID	3,001,800	3.01
5	NGAI SOK FONG	2,963,746	2.97
6	GARY LEE SEATON	2,669,300	2.68
7	MAYBANK NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR LOW PEI KAI	2,380,600	2.39
8	DATO' LIM KANG SWEE	2,372,000	2.38
9	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR KINSTON PARK SDN. BHD.	2,300,000	2.31
10	WONG KHAI SHIUAN	2,148,700	2.16
11	SOH HUI FUNG	2,022,500	2.03
12	KENANGA NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR YAP KOK WOON	2,013,499	2.02
13	WUNG SUH MIN	1,986,700	1.99

THIRTY (30) LARGEST SHAREHOLDERS (CONT'D)

	Name	Shareholdings	%
14	CHEONG MEOW YEN	1,771,600	1.78
15	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MOHAMAD NOR BIN HAMID	1,647,700	1.65
16	TAN SRI DATUK SERI LIM KENG CHENG	1,533,000	1.54
17	LIM SEW HUA	1,200,000	1.20
18	DATO' LIM KANG SWEE	1,088,354	1.09
19	TAN LAI LENG	1,063,500	1.07
20	AMSEC NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR TAN LEAK GOH	968,200	0.97
21	CGS INTERNATIONAL NOMINEES MALAYSIA (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR MOHAMAD NOR BIN HAMID	878,000	0.88
22	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN. BHD. PLEDGED SECURITIES ACCOUNT FOR WONG KIM LENG	819,500	0.82
23	LIM SEONG HAI HOLDINGS SDN. BHD.	789,900	0.79
24	TAN WEN SHIOW	731,400	0.73
25	LIM SEONG HAI HOLDINGS SDN. BHD.	708,700	0.71
26	CIMSEC NOMINEES (TEMPATAN) SDN. BHD. CIMB FOR TAN SRI DATO' LIM KANG HOO	600,000	0.60
27	LOH YU SAN	592,800	0.59
28	LIM SOO SAN	541,200	0.54
29	WCM VENTURES SDN. BHD.	440,000	0.44
30	IFAST NOMINEES (TEMPATAN) SDN. BHD. EXEMPT AN FOR WEBULL SECURITIES SDN. BHD.	375,500	0.38

PARTICULAR OF
MATERIAL PROPERTIES

	Location	Age of Buildings	Tenure	Description/ Existing Use	Land Area (Hectares)#/ Built-up Area (sq.ft)*/ (sq.m)^	Net Book Value (RM'000)	Date of Acquisition
1	Lot 726 Mukim Pulai, District Johor Bahru, State Johor	–	Freehold	Vacant Land	243,117*	55,535	23-Nov-22
2	Lot 2259 Mukim of Semenyih Daerah Ulu Langat Selangor Darul Ehsan	–	Freehold	Development Land	28.1419#	27,400	1-Nov-01
3	Lot 942 Mukim Semenyih Daerah Ulu Langat Selangor Darul Ehsan	–	Freehold	Vacant Land	5.3874#	14,674	29-Feb-12
4	20 units of Danga Walk Shoplots Danga Bay Jalan Skudai 80200 Johor Bahru Johor Darul Takzim	16	Freehold	Shop Lot	2,266^	7,723	29-Dec-14
5	Tropez Residen Persiaran Danga Bay 80200 Johor Bahru	10	Freehold	Eleven (11) retail lots	1,003^	6,236	29-Apr-15
6	12 units of Danga Walk Shoplots Danga Bay Jalan Skudai 80200 Johor Bahru Johor Darul Takzim	16	Freehold	Shop Lot	1,236^	6,439	18-Mar-16
7	Diamond Square Lot 335, 317 and 318 Jalan Gombak Mukim of Setapak District of Kuala Lumpur	28	Freehold	Seven (7) storey commercial buildings comprising of one (1) retail & twelve (12) shop office	20,715 *	4,121	8-Jun-96

PARTICULAR OF MATERIAL PROPERTIES (CONT'D)

	Location	Age of Buildings	Tenure	Description/ Existing Use	Land Area (Hectares)#/ Built-up Area (sq.ft)*/ (sq.m)^	Net Book Value (RM'000)	Date of Acquisition
8	9 units of Danga View Apartment Bandar of Johor District of Johor Bahru Johor Darul Takzim	20	Freehold	Apartment	25,103 *	4,004	21-Dec-06
9	9 units of Danga Walk Shoplots Danga Bay Jalan Skudai 80200 Johor Bahru Johor Darul Takzim	16	Freehold	Shop Lot	10,096*	2,261	25-Mar-09
10	2 units of Danga View Apartment Bandar of Johor District of Johor Bahru Johor Darul Takzim	20	Freehold	Apartment	8,100*	1,307	30-Sep-05
11	9 units of Botanika Block B Bandar of Johor District of Johor Bahru Johor Darul Takzim	3	Leasehold	Apartment	10,134*	4,434	26-Aug-24

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Knusford Berhad (199601007754 (380100-D))
(Incorporated in Malaysia)

CDS Account No.

No. of shares held

PROXY FORM

I/We ____ NRIC/Company No./Passport No. ______________________________
(*Full name in block*)

of ____
(*Full address*)

____
being member(s) of Knusford Berhad, hereby appoint:

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Email Address			

and/or* (*delete as appropriate)

Full Name (in Block)	**NRIC/Passport No.**	**Proportion of Shareholdings**	
		No. of Shares	**%**
Email Address			

or failing him/her, the Chairman of the Thirtieth Annual General Meeting ("AGM") as *my/our proxy/proxies to vote for *me/us and on *my/our behalf, at the AGM of the Company, to be held at Hall B, Oriental Star, 2nd Floor, M-S-01, EkoCheras Mall, No. 693, Batu 5, Jalan Cheras, 56000 Kuala Lumpur on Thursday, 10 September 2026 at 10.30 a.m. and at any adjournment thereof.

NO.	RESOLUTIONS		FOR	AGAINST
1.	Re-election of DYAM Tunku Ismail Ibni Sultan Ibrahim	(Resolution 1)		
2.	Re-election of Madam Lim Sew Hua	(Resolution 2)		
3.	Re-election of Ms. Kang Hui Ling	(Resolution 3)		
4.	Approval of Directors' Fees	(Resolution 4)		
5.	Approval of Directors' Benefits	(Resolution 5)		
6.	Re-appointment of Auditors	(Resolution 6)		
7.	Proposed Authority for Directors to Allot and Issue Shares and Waiver of Pre-Emptive Rights for the Issuance of the New Shares	(Resolution 7)		
8.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature	(Resolution 8)		

Please indicate with an "**X**" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this ______________________ day of ____________________

____
Signature*
Member

**** Manner of execution:***

(a) If you are an individual member, please sign where indicated.

(b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.

(c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:

(i) at least two (2) authorised officers, of whom one shall be a director; or

(ii) any director and/or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

Notes:

1. For the purpose of determining who shall be entitled to participate and vote at the Thirtieth Annual General Meeting ("AGM"), the Company shall request Bursa Malaysia Depository Sdn. Bhd. to make available to the Company, the Record of Depositors as at 27 August 2026. Only members whose name appears on this Record of Depositors shall be entitled to participate and vote at the AGM or appoint a proxy to participate and vote on his/her/its behalf.

2. A member entitled to participate and vote at the AGM is entitled to appoint a proxy or attorney or in the case of a corporation, to appoint a duly authorised representative to participate and vote in his/her/its place at the AGM. A proxy may but need not be a member of the Company.

3. A member of the Company who is entitled to participate and vote at the AGM may appoint not more than two (2) proxies to participate and vote in his/her/its place at the AGM.

4. If two (2) proxies are appointed, the entitlement of those proxies to vote shall be in accordance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

5. Where a member of the Company is an authorised nominee as defined in the Securities Industry (Central Depositories) Act 1991 ("Central Depositories Act"), it may appoint not more than two (2) proxies in respect of each securities account it holds in ordinary shares of the Company standing to the credit of the said securities account.

6. Where a member of the Company is an exempt authorised nominee who holds ordinary shares in the Company for multiple beneficial owners in one securities account ("Omnibus Account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each Omnibus Account it holds. An exempt authorised nominee refers to an authorised nominee defined under the Central Depositories Act which is exempted from compliance with the provisions of Section 25A(1) of the Central Depositories Act.

7. Where a member appoints more than one (1) proxy, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

8. An instrument appointing a proxy shall be in writing and in the case of an individual shall be signed by the appointor or by his attorney; and in the case of a corporate member, shall be either under its common seal or signed by its attorney or an officer on behalf of the corporation.

9. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than 48 hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote or in case of a poll not less than 24 hours before the time appointed for taking the poll:-

(i) ***In hard copy form***

In the case of an appointment made in hard copy form, the Proxy Form must be deposited at the Registered Office of the Company situated at #C-G-03, Blok C, Tropez Residen, Persiaran Danga Perdana, 80200 Johor Bahru, Johor.

(ii) ***By electronic form via facsimile***

In the case of an appointment made by facsimile transmission, the Proxy Form must be received via facsimile at 07-296 5599.

(iii) ***By electronic form via email***

In the case of an appointment made by email transmission, the Proxy Form must be received via email at proxyform@knusford.com

For options (ii) and (iii), the Company may request the member to deposit the original executed proxy form to its Registered Office before or on the date of the meeting for verification purposes.

10. Any authority pursuant to which such an appointment is made by a power of attorney must be deposited at the Registered Office of the Company situated at #C-G-03, Blok C, Tropez Residen, Persiaran Danga Perdana, 80200 Johor Bahru, Johor not less than 48 hours before the time appointed for holding the AGM or adjourned AGM at which the person named in the appointment proposes to vote or in case of a poll not less than 24 hours before the time appointed for taking the poll. A copy of the power of attorney may be accepted provided that it is certified notarially and/or in accordance with the applicable legal requirements in the relevant jurisdiction in which it is executed.

11. Please ensure ALL the particulars as required in the proxy form are completed, signed and dated accordingly.

12 Last date and time for lodging proxy form is on Tuesday, 8 September 2026 at 10.30 a.m.

13. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in this Notice of AGM will be put to vote on a poll.

Fold this flap for sealing

Then fold here

AFFIX
STAMP

The Company Secretary

Knusford Berhad (199601007754 (380100-D))
#C-G-03, Blok C, Tropez Residen
Persiaran Danga Perdana
80200 Johor Bahru, Johor

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www.knusford.com.my

KNUSFORD BERHAD
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