

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

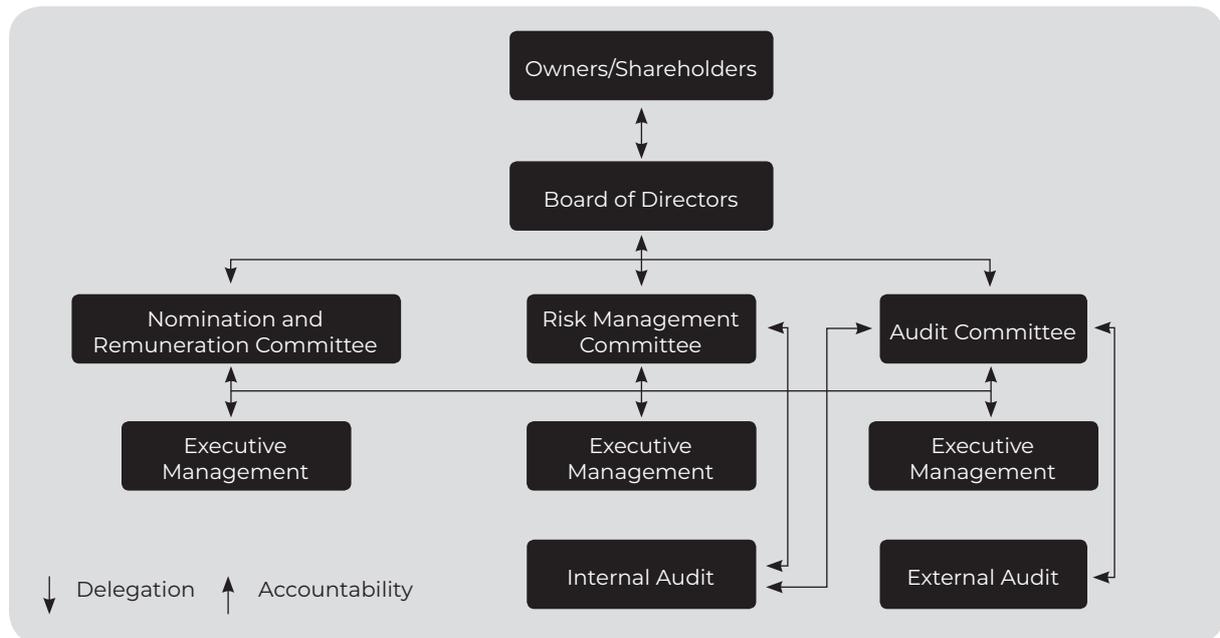
The Board of Knusford Berhad (“Board”) recognises the importance of adopting a sound base for good corporate governance in managing its business affairs so as to build a sustainable business capable of enhancing shareholder value.

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 Requirement (“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 2025 (“FYE 2025”) 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 2025 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 system of governance structure with three lines of defence. This structure enables an effective decision-making process where all views may be challenged and considered. In summary, the three lines of defence are as follows:

#### Executive Management

The first line of defence consists of Executive Management which included Chief Executive Officer (“CEO”) and Management, which manages the day-to-day operations and reports directly to the CEO. CEO report directly to Executive Director (“ED”).

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### **CORPORATE GOVERNANCE STRUCTURE (CONT'D)**

The Group has established a system of governance structure with three lines of defence. This structure enables an effective decision-making process where all views may be challenged and considered. In summary, the three lines of defence are as follows: (Cont'd)

#### **Executive Directors, Chief Executive Officer and Board Committees**

The ED and CEO are responsible for overseeing and managing the Group's business operations. The Board is supported by three principal Board Committees, namely the Nomination and Remuneration Committee, the Risk Management Committee, and the Audit Committee. These Committees operate under defined terms of reference and report directly to the Board.

The Chairpersons of each Board Committee provide updates to the Board during meetings, outlining key matters discussed, proposed actions, and recommendations arising from their respective Committee deliberations. While the Committees play a crucial role in supporting the Board's oversight functions, the ultimate responsibility for all decisions remains with the Board.

#### **Internal Audit and External Audit**

The third line of defence comprises both internal and external auditors, who report independently to the Audit Committee. The independent oversight of the Group is provided through internal and external auditors. The external auditors have provided assurance that its personnel are and have been independent throughout the conduct of the audit in accordance with the terms and relevant professional and regulatory requirements. Meanwhile, the internal audit function focuses on key operational areas, governance, compliance and internal controls across the Group.

#### **Other governance components include:**

##### **Authority limits**

The Group has established clear authority limits across key processes, including procurement, tendering and contract awards. These authority limits define lines of responsibility and accountability, ensuring that all business decisions are made with due consideration of relevant factors and in accordance with the Group's governance framework.

##### **Policies and procedures**

The Group has established policies and procedures to guide the operational management across key functions, including finance, human resources, procurement, construction management and property management.

##### **Management meetings**

The Executive Management meets regularly to discuss operational matters, address key issues and align on strategic priorities. It also monitors the implementation of action plans and initiatives to ensure that the Group's strategies are effectively executed in line with its business objectives.

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

The Board has established ethical standards through a Code of Conduct and Ethics ("the Code") applicable to Directors, Senior Management, and employees. The Code outlines key principles covering conflict of interest, confidentiality, workplace safety and security, compliance with internal policies, and responsible conduct in dealings with suppliers, customers, and third parties. It serves to foster a corporate culture rooted in integrity and ethical behavior across the Group.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### 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 (Cont'd)

To support transparency and accountability, the Board has also adopted a Whistleblowing Policy, which offers clearly defined and accessible channels for reporting suspected improprieties, misconduct, or violations within the Group. The policy ensures that all Directors, employees, and stakeholders have an avenue to raise concerns.

In compliance with the S17A of the Malaysian Anti-Corruption Commission Act 2009 ("MACC Act"), the Group has also established and implemented an ABAC Policy, which governs the prevention of corruption and unethical practices within the Group.

Further details pertaining to the Code of Conduct and Ethics, Whistleblowing Policy and ABAC Policy are available at the Company website at [www.knusford.com.my](http://www.knusford.com.my).

#### Sustainability

The Board recognises its responsibility in upholding Environmental, Social and Governance ("ESG") principles and sustainability for the benefit of all stakeholders and the communities in which the Group operates. Accordingly, ESG and sustainability considerations are integrated into the Group's corporate strategies.

The Company's efforts in this regard have been set out in the Sustainability Statement on pages 47 to 65 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, encompassing ethical conduct, strategic oversight, goal setting for management, and monitoring the achievement of these goals, maximise shareholder value, and safeguard stakeholders' interests. Operational and administrative responsibilities are delegated by the Board to the Executive Directors ("EDs") and the Chief Executive Officer ("CEO").

The Board Charter, which outlines the roles and responsibilities of the Board, its Committees, the EDs, and the CEO, is published on the Company's corporate website to ensure transparency and accessibility for stakeholders and the public. The Charter aims to ensure that all Board members are fully aware of their duties, the applicable laws and regulations governing their conduct, and the principles of good corporate governance that must be upheld in all actions taken on behalf of the Company.

The Board has appointed Ms. Lim Aik Yong as the Company Secretary, who is qualified Chartered Secretary. She has the requisite experiences and competence to provide the necessary information and advice to the Board.

#### Board Meeting

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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### I. Board Responsibilities (Cont'd)

##### Board Meeting (Cont'd)

Meeting agendas and board papers are prepared and circulated by the Company Secretary in advance of each meeting to ensure that Directors have sufficient time to review and consider the matters to be discussed.

All proceedings of the Board meetings, including matters discussed, deliberations, suggestions, and decisions made, are documented by the Company Secretary. The minutes are subsequently signed by the Chairman as confirmation of the record.

Each Director commits adequate time to fulfil his or her responsibilities effectively. To date, all Directors have complied with the Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad, which restricts a Director from holding more than five (5) directorships in public listed companies. The Board is satisfied that the number of directorships held does not impair the Directors' ability to discharge their duties.

Additionally, the Board is satisfied with the level of time commitment demonstrated by the Director, as reflected in their attendance at Board and/or Board Committee meetings.

During the financial year under review, five (5) Board meetings were held and the attendance of the Directors who held office during the FYE 2025 are set out below:

Name	Designation	Board of Directors Meeting
DYAM Tunku Ismail Ibni Sultan Ibrahim	Non-Independent Non-Executive Director	3/5
Lim Chen Heng	Executive Director	5/5
Lim Chen Thai	Executive Director	4/5
Lim Sew Hua	Executive Director	5/5
Bernard Hilary Lawrence (resigned on 10 April 2025)	Senior Independent Non-Executive Director	5/5
Dato' Avinderjit Singh A/L Harjit Singh (resigned on 11 July 2025)	Independent Non-Executive Director	3/5
Lee Wai Kuen	Independent Non-Executive Director	5/5
Lim Foo Seng	Independent Non-Executive Director	5/5
Mohd Salleh Bin Othman (resigned on 19 May 2025)	Independent Non-Executive Director	5/5
Liew Voon Keong (appointed on 10 April 2025)	Independent Non-Executive Director	0/5
Jasmine Cheong Chi-May (appointed on 19 May 2025)	Independent Non-Executive Director	0/5
Lim Ts-Fei (appointed on 11 July 2025)	Independent Non-Executive Director	0/5

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### **II. Board Composition**

The Board comprises nine (9) members and one (1) Alternate Director, of whom five (5) are Independent Directors. The current composition complies with Practice 5.2 of the Malaysian Code on Corporate Governance (MCCG), which specifies that the Board must comprise a majority of Independent Directors.

The Group practices non-discrimination in any 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 be made up of individuals who possess the necessary qualifications, experience, integrity, professionalism, independence, and sound judgement. This ensures that both the Board and Management are equipped to perform effectively in safeguarding the interests of the Group and its shareholders.

The current Board members bring a diverse range of expertise, backgrounds, and perspectives, contributing collectively to informed decision-making and strategic oversight in a dynamic and competitive business environment. The profiles of the Board members, detailing their skills and experience, are provided on pages 13 to 17 of this Annual Report.

The Board remains supportive of gender diversity and provides equal opportunities to all qualified candidates, based on experience, competencies, and alignment with the Group's current operations and strategic direction. As at the date of this Report, the Board have three (3) female Directors.

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

The Nomination and Remuneration Committee ("NRC") is guided by its Terms of Reference, which outlines its key duties and responsibilities. These include overseeing the recruitment and nomination of Directors, establishing the criteria for Board appointments, and ensuring an appropriate balance of skills, expertise, attributes, and core competencies among Board members. The NRC is also responsible for reviewing and recommending appointments to the Board Committees, as well as conducting annual assessments of the effectiveness of the Board, Board Committees, and individual Directors.

The NRC, which comprises solely Independent Directors, convened one (1) meeting during the financial year. During this meeting, the Committee reviewed the composition of the Board with regard to the mix of skills, independence, and diversity, the nomination and election processes of Directors, and the selection criteria adopted. An assessment was carried out on the performance of the Board as a whole, its Committees, and each individual Director based on pre-established criteria.

Following the assessment, the Board was satisfied that it, together with its Committees, had effectively discharged their responsibilities. The contributions and performance of each Director were deemed satisfactory. The Board also concluded that its current composition, both in terms of size and the balance among Executive, Non-Executive, and Independent Directors was appropriate, and that the existing mix of skills and experience adequately supports the Group's strategic direction and governance needs.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### 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 Heng	✓	✓	✓			✓						✓	✓	
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			✓	✓				✓				✓	✓	
Lim Foo Seng	✓	✓	✓					✓				✓	✓	
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 Board has defined its remuneration policy. Under the policy, it is provided that all Executive Directors and Senior Management shall be remunerated based on the Group's and individual's performances, market conditions and their responsibilities, while the remuneration policy for Independent Directors emphasises fair remuneration to avoid creating conflicting interest with their responsibility for bringing objective and independent judgement on matters discussed in the Board meeting.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### III. Remuneration (Cont'd)

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

The determination of Directors' remuneration is subject to the Committee's recommendation and Board's approval. The Director concerned should abstain from discussing his/her own remuneration.

Pursuant to Section 230(1) of the Companies Act 2016, the fees of the Directors and any benefits payable to the Directors of a listed company and its subsidiaries shall be approved at a general meeting. The amount of Directors' Fee for the financial year proposed for the shareholders' approval at the forthcoming Annual General Meeting is RM276,000.00.

The details of Directors' remuneration for the FYE 2025 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 Heng	30,000	120,000	345,000	-	55,800	11,700	562,500
Lim Chen Thai	30,000	60,000	405,000	-	55,800	28,000	578,800
Lim Sew Hua	30,000	25,200	576,000	-	20,000	13,325	664,525
Bernard Hilary Lawrence (resigned on 10 April 2025)	30,000	-	-	-	-	-	30,000
Dato' Avinderjit Singh A/L Harjit Singh (resigned on 11 July 2025)	30,000	-	-	-	-	-	30,000
Lee Wai Kuen	30,000	-	-	-	-	-	30,000
Lim Foo Seng	36,000	-	-	-	-	-	36,000
Mohd Salleh Bin Othman (resigned on 19 May 2025)	30,000	-	-	-	-	-	30,000
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)	-	-	-	-	-	-	-
<b>Total</b>	<b>276,000</b>	<b>205,200</b>	<b>1,326,000</b>	<b>-</b>	<b>131,600</b>	<b>53,025</b>	<b>1,991,825</b>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### III. Remuneration (Cont'd)

The details of Directors' remuneration for the FYE 2025 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 Heng	30,000	120,000	345,000	–	55,800	7,200	558,000
Lim Chen Thai	30,000	60,000	405,000	–	55,800	–	550,800
Lim Sew Hua	30,000	25,200	576,000	–	20,000	–	651,200
Bernard Hilary Lawrence (resigned on 10 April 2025)	30,000	–	–	–	–	–	30,000
Dato' Avinderjit Singh A/L Harjit Singh (resigned on 11 July 2025)	30,000	–	–	–	–	–	30,000
Lee Wai Kuen	30,000	–	–	–	–	–	30,000
Lim Foo Seng	36,000	–	–	–	–	–	36,000
Mohd Salleh Bin Othman (resigned on 19 May 2025)	30,000	–	–	–	–	–	30,000
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)	–	–	–	–	–	–	–
<b>Total</b>	<b>276,000</b>	<b>205,200</b>	<b>1,326,000</b>	<b>–</b>	<b>131,600</b>	<b>7,200</b>	<b>1,946,000</b>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### III. Remuneration (Cont'd)

In determining the remuneration packages of the Group's Key Senior Management, factors that were taken into consideration included the Senior Management's responsibilities, skills, expertise and contribution to the Group's performance.

Due to confidentiality and sensitivity of information, the Board is of the view that it would not be in its best interest to make such disclosure on named basis in view of the competitive environment for talent recruitment and retention in the industry in which the Group operates in. Also premised on the confidentiality of the remuneration package of our Senior Management, the Board has adopted a disclosure of our Senior Management remuneration, except for Chief Executive Officer (CEO) in bands of RM50,000.

The aggregate remuneration (including salary, bonus, benefit in-kind and other emoluments) paid to the top 5 Senior Management on an unnamed basis in bands of RM50,000 during the FYE 2025, are as follows: -

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

The details of the CEO's remuneration for the FYE 2025 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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

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

#### **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. This evaluation also includes an assessment of the independence of the Independent Non-Executive Directors. The assessment is carried out using a self and peer evaluation model through customised questionnaires, guided by the best practices outlined in the Corporate Governance Guide (4th Edition) issued by Bursa Securities.

#### **V. Annual Assessment of Independence**

The Board recognises the importance of independence and objectivity in its decision-making process. The Board through the NRC has assessed the independence of its Independent Non-Executive Directors based on the criteria set out by Bursa Securities.

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

#### **VI. Tenure of Independent Directors**

The Board Charter establishes a policy limiting the tenure of independent directors to 9 years. The policy allows exceptions, subject to the assessment of the NRC and on an annual basis subject to shareholders' approval. The Board will justify and seek shareholders' approval in the event the Company retains an Independent Director who has served in that capacity for a cumulative period of more than nine (9) years.

During the 28th AGM of the Company, the shareholders approved Mr. Bernard Hilary Lawrence, who has served as a Senior Independent Non-Executive Director of the Company for a cumulative term of more than 9 years. Approval was also given by shareholders for Mr. Lim Foo Seng, Dato' Avinderjit Singh A/L Harjit Singh, En. Mohd Salleh Bin Othman and Mr. Lee Wai Kuen, who have served as Independent Non-Executive Directors of the Company for a cumulative term of more than 9 years, to continue to act as Independent Non-Executive Directors of the Company.

#### **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 a training course titled "Moderating Anti-Bribery and Corruption Risks, and Corporate Liability Offence under Section 17A of the MACC Act 2009 (Amendment 2018)" on 10 December 2024, which was attended by the majority of the Directors.

In addition, several Directors also participated in various external seminars and training programmes. As at the date of this report, 7 out of 10 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 supporting the ongoing development of its Directors and will continue to organise relevant training programmes. Directors are also individually encouraged to proactively update their knowledge and skills by attending external courses, trade fairs, seminars, and conferences relevant to their roles.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### **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 responsibility of reviewing the adequacy and effectiveness of the internal control system to the Audit Committee ("AC"). The AC comprises five (5) Independent Non-Executive Directors, with a Chairman who is distinct from the Chairman of the Board, in line with best corporate governance practices.

The AC convened five (5) meetings during the financial year. Details of the AC's activities during the year are outlined in the Audit Committee Report on pages 66 to 73 of this Annual Report. As part of its oversight responsibilities, the AC held two (2) private sessions with the External Auditors and one (1) private session with the Internal Auditors, in the absence of Management, to facilitate open discussions.

#### **II. Risk Management and Internal Control Framework**

The Board has established a risk management process to identify, evaluate, manage, monitor, and report significant risks faced by the Group. Management provides periodic updates on risk matters, including the implementation of mitigating measures, to the Risk Management Committee ("RMC").

The RMC, which operates under specific terms of reference approved by the Board, comprises five (5) Independent Non-Executive Directors. The Committee convened five (5) meetings during the financial year to deliberate on key risk issues and assess the adequacy of the 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 42 to 46 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](http://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

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### **PRINCIPLE C - INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)**

#### **II. Conduct of General Meetings**

The Board remains committed to engaging with shareholders and ensuring they are well-informed about the Group's performance and strategic direction. General meetings serve as a key platform for shareholders to seek clarification and provide feedback on the Group's operations and financial performance.

To facilitate effective participation, notices of general meetings are issued in a timely manner, allowing shareholders ample time to review the agenda and prepare 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 explanations on matters raised.

In the 28th AGM held on 25 September 2024, the notice was sent more than 28 days in compliance with the requirements of MCCG, enabling shareholders to review the details of the resolutions being proposed for better decision-making. The notice included explanation of certain resolutions to be passed in the general meeting. The Company had its 28th AGM conducted fully virtual through live streaming via Remote Participation and Voting Facilities platform.

#### **III. Poll Voting**

Under Paragraph 8.29A(1) of the MMLR of Bursa Securities, the Company ensures that any resolution set out in the notice of any general meeting or in any notice of resolution which may properly be moved and is intended to be moved at any general meeting, is voted by poll.

For this purpose, the appointed Poll Administrator and independent scrutineer will be appointed to validate the vote cast at the general meeting. The poll results of the general meeting will be announced to Bursa Securities on the same day for the benefit of all shareholders.

#### **Corporate Disclosure Policy and Procedures**

The Company is committed to upholding the standard of transparency, accountability and integrity in the disclosure of all material information of the Company to the investing public in an accurate, clear and timely manner in accordance with the corporate disclosure requirements as set out in the MMLR of Bursa Securities and the guidance as set out in the Corporate Disclosure Guide issued by Bursa Securities.

The Board has ensured that relevant disclosure requirements required by Bursa Securities are complied with. In order to augment the process of disclosure, the Company has established its own website at [www.knusford.com.my](http://www.knusford.com.my) which allows shareholders and the public access to the Company's corporate information.

#### **Compliance Statement**

The Board has reviewed this CGOS and is satisfied that during the FYE 2025, the Company has complied with the best practices in MCCG on the application of the principles and in corporate governance, except for those departures highlighted below and in the CG Report 2025.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### 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	23	4	–	–	3
B - Effective Audit and Risk Management	8	–	–	2	–
C - Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders	6	1	1	–	–
<b>Total</b>	<b>37</b>	<b>5</b>	<b>1</b>	<b>2</b>	<b>3</b>

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.	<p>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.</p> <p>The performance evaluation of the Board in addressing the Company's material sustainability was evaluated through the annual Board's Evaluation. However, the performance evaluations of Senior Management did not cover sustainability performance evaluation.</p> <p>Once the Company develops the appropriate metrics for assessing performance against the sustainability targets, the sustainability evaluation will be integrated into Senior Management's Key Performance Indicators ("KPI").</p>

## CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

### SUMMARY OF CORPORATE GOVERNANCE PRACTICES (CONT'D)

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

Principle	Practice	Gap Summary
A - Board Leadership and Effectiveness	5.9 The Board comprises at least 30% women directors.	<p>As at 31 March 2025, the Board has one female director. The Board acknowledges the 30% women directors requirement under MCCG.</p> <p>Subsequent to FYE 2025, the Board appointed Ms. Jasmine Cheong Chi-May and Ms. Lim Ts-Fei as Independent Non-Executive Director on 19 May 2025 and 11 July 2025, respectively, in compliance with Chapter 15, para 15.02(1)(b) of the MMLR of Bursa Securities.</p>
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 Senior Management's remuneration components 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. Also premised on the confidentiality of the remuneration package of our Senior Management, the Board has adopted a disclosure of our Senior Management remuneration, except for CEO in bands of RM50,000.
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.	<p>8 out of 9 Directors were in attendance at the 28th AGM held on 25 September 2024. The Chairman was absent with apologies due to exigencies.</p> <p>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.</p> <p>The Chairman of the Board Committees are also readily available to address questions posted by the shareholders at the AGM.</p>

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 25 July 2025.