

**PROPOSED DISPOSAL BY KNUSFORD HOLDINGS SDN BHD OF A FREEHOLD LAND HELD UNDER LOT 3658, MUKIM OF SETAPAK, DISTRICT OF KUALA LUMPUR, WILAYAH PERSEKUTUAN KUALA LUMPUR WITH LAND AREA OF 0.304 HECTARE TO TAHAP JUARA SDN BHD FOR A CASH CONSIDERATION OF RM7.0 MILLION**

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The Board of Directors of Knusford Berhad (“**KB**” or “**the Company**”) is pleased to announce the following:

**1. INTRODUCTION**

The Board of Directors of KB (“**Board**”) wishes to announce that Knusford Holdings Sdn Bhd (“**KHSB**”), a wholly owned subsidiary of the Company, had on 11 March 2026, entered into a conditional sale and purchase agreement (“**SPA**”) with Tahap Juara Sdn Bhd (“**TJSB**” or the “**Purchaser**”) 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 (“**Property**”) for a cash consideration of Ringgit Malaysia Seven Million (RM7,000,000) only (“**Disposal Consideration**”) (“**Proposed Disposal**”).

The Proposed Disposal is deemed to be a related party transaction (“**RPT**”) pursuant to Paragraph 10.08 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“**Bursa Securities**”) (“**Listing Requirements**”). Details of the interested parties in relation to the Proposed Disposal are set out in Section 12 of this announcement.

**2. INFORMATION ON THE LAND**

No.	Matter	Details
1.	Land Title	Geran Mukim 348, Lot 3658, Mukim of Setapak, District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur.
2.	Tenure	Freehold
3.	Land Area	0.304 hectare
4.	Category of Land Use	Nil
5.	Existing Use	Tenanted
6.	Express Title Conditions	Nil
7.	Encumbrances	None
8.	Restriction in Interest	Nil
9.	Audited book value of the property as at 31 March 2025	RM1.98 million
10.	Date of Acquisition	10 May 1996
11.	Original Cost of Investment	RM2.51 million

The Property is currently occupied by a related party for equipment storage purposes on a month-to-month basis.

**3. INFORMATION ON THE PARTIES**

**3.1 Information on Vendor**

KHSB was incorporated in Malaysia on 9 August 1990 as a private limited company under the Companies Act, 1965 and is deemed registered under the Companies Act

2016 and is a wholly owned subsidiary of the Company. Its principal place of business is at 1st Floor, Wisma Ekovest, No. 118, Jalan Gombak, 53000 Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur. The principal business of KHSB is investment Holdings. KHSB has an issued and paid-up share capital of RM5,800,000.00 comprising 5,800,000 ordinary shares.

The directors of KHSB are Tan Sri Dato' Lim Kang Hoo, Madam Lim Sew Hua, Mr Lim Chen Thai and Encik Mohd Hanaffiah Bin Talib.

### 3.2 Information on Purchaser

TJSB was incorporated in Malaysia on 21 January 2026 as a private limited company under the Companies Act 2016. The principal business of TJSB is investment holdings.

TJSB has an issued and paid-up share capital of RM100 comprising 100 ordinary shares which were paid wholly in cash. The shareholders of TJSB and their respective shareholdings in TJSB are as follows:

<b>Director and shareholder</b>	<b>Nationality</b>	<b>No. of shares</b>	<b>%</b>
Dato' Lim Hoe	Malaysian	30	30.00
Lim Sew Hua	Malaysian	30	30.00
Lim Hai	Malaysian	30	30.00
Ngai Chong Sing	Malaysian	10	10.00
<b>Total</b>		<b>100</b>	<b>100.00</b>

TJSB does not have any subsidiary or associated companies.

## 4. SALIENT TERMS OF THE SPA

- a) The Vendor hereby agrees to sell and the Purchaser hereby agrees to purchase the said Property on an "as is where is" basis, together with all rights, title and interest thereto, with vacant possession and free from all Encumbrances, subject always to all express and implied conditions, restrictions in interest, and category of land use endorsed on the issue document of title to the said Property.
- b) The Disposal Consideration shall be payable by TJSB in the following manner:
  - (i) Prior to the execution of the SPA, TJSB had paid KHSB a deposit equivalent to ten per cent (10 %) of the Disposal Consideration in the sum of Ringgit Malaysia Seven Hundred Thousand (RM700,000.00) only ("**Deposit**"); and
  - (ii) The balance of the said Disposal Consideration in the sum of Ringgit Malaysia Six Million Three Hundred Thousand (RM6,300,000.00) only ("**Balance Purchase Price**") shall be paid to KHSB or KHSB's Solicitors as stakeholders within three (3) months from the date of the SPA.
- c) In the event that TJSB fails to pay the Balance Purchase Price within 3 months from the SPA date (Completion period), KHSB shall grant TJSB an automatic extension of one (1) month (Extended completion period) from the expiry of the 3 months period for settlement of the Balance Purchase Price subject to TJSB paying interest to KHSB at the rate of eight per centum (8%) per annum on the Balance Purchase Price or such part thereof which is outstanding until the date of full settlement.

d) Termination and Breach

In the event that Purchaser shall fail to pay the Balance Purchase Price in accordance with the terms of the SPA, the Deposit shall be absolutely forfeited by the Vendor as agreed liquidated damages but all other payments towards the Disposal Consideration shall be refunded or cause to be refunded to the Purchaser free of interest within fourteen (14) days from the date of receipt by the Vendor's solicitors of the written notification from the Purchaser's solicitors in exchange thereof, the Purchaser shall forthwith return to the Vendor, the memorandum of transfer and any other documents received by the Purchaser, withdraw any caveat lodged on the Property (if any) by the Purchaser and redeliver vacant possession of the Property to the Vendor in the same condition when the property is delivered (if applicable).

In the event that Vendor does not or is unable to complete the sale herein, the Purchaser shall be entitled to either the remedy of specific performance or termination of SPA, in which event Vendor shall refund all monies paid by the Purchaser to the Vendor towards the Disposal Consideration and pay to the Purchaser a further sum equivalent to the deposit (being an amount equivalent to 10% of the Disposal Consideration) as agreed liquidated damages within fourteen (14) days from the date of receipt by the Vendor's solicitors of the written notification from the Purchaser's solicitors in exchange thereof, the Purchaser shall forthwith return to the Vendor, the memorandum of transfer and any other documents received by Purchaser or Purchaser's solicitor, withdraw any caveat lodged on the Property by the Purchaser and redeliver vacant possession of the Property to the Vendor in the same condition when the Property is delivered ( if applicable).

e) Vacant Possession

Upon full payment of the Disposal Consideration on a date within the Completion Period or the Extended Completion Period together with late payment interest (whichever shall be applicable), vacant possession of the said Property shall be deemed delivered to the Purchaser within three (3) business days on an "as is where is" basis, which the Purchaser expressly acknowledges and agreed to accept.

**5. LIABILITIES TO BE ASSUMED**

KB and its subsidiaries ("**KB Group**") including KHSB will not assume any liabilities, including contingent liabilities and guarantees, arising from the Proposed Disposal.

**6. BASIS OF ARRIVING AT THE DISPOSAL CONSIDERATION**

The Disposal Consideration of RM7.0 million was arrived at on a willing-buyer willing-seller basis, after taking into consideration the market value of the Subject Property of RM7.0 million, as determined by Raine & Horne International Zaki + Partners Sdn. Bhd. (the "**Valuer**") pursuant to its valuation certificate dated 12 February 2026.

**7. RATIONALE AND BENEFITS OF THE PROPOSED DISPOSAL**

The Proposed Disposal provides an opportunity for KHSB to unlock the value of its investment on the Property and monetise a non-core asset. Upon completion of the Proposed Disposal, KHSB is expected to record a net gain on disposal of approximately RM4.55 million, thus realising the appreciation in value of the property.

## 8. UTILISATION OF PROCEEDS

The proceeds from the Proposed Disposal will be utilised for the general working capital purposes of the KB Group.

## 9. RISK FACTOR(S)

The Board of KB is not aware of any risk factors relating to the Proposed Disposal save for normal business and economic risk. KHSB will take all reasonable steps to ensure that the SPA is completed on a timely basis.

## 10. EFFECTS OF THE PROPOSED DISPOSAL

Based on the audited consolidated financial statements of KB Group as at 31 March 2025, the proforma effects of the Proposed Disposal are as follows:

### (a) Share Capital and Substantial Shareholders' Shareholdings

The Proposed Disposal will not have any effect on the issued and paid-up share capital and the shareholding of the substantial shareholders of KB as the Proposed Disposal does not involve issuance of KB shares.

### (b) Net Assets ("NA") Per Share

	Audited as at 31st March 2025 (RM'000)	After the Disposal (RM'000)
Share Capital	122,338	122,338
Retained Earnings	116,717	121,264
Total Equity	239,055	243,602

	Audited as at 31st March 2025	After the Disposal
Number of Ordinary Shares in Issue	99,645,000	99,645,000
NA per share (RM)	2.40	2.44

### (c) Earnings and Earnings Per Share ("EPS")

The proposed disposal is expected to generate a gain on disposal of approximately RM4.55 million upon completion after deducting all estimated expenses from the proposed disposal.

### (d) Gearing Ratio

The Proposed Disposal will not have any significant impact on the KB Group's gearing ratio, as the subject property is currently free from any encumbrances and is not charged to any financial institution for borrowings.

## 11. APPROVALS REQUIRED

The Proposed Disposal is not subject to the regulatory approval of any government authority and the approval of the shareholders of KB.

## 12. INTERESTS OF DIRECTORS, MAJOR SHAREHOLDERS AND PERSONS CONNECTED TO THEM

Save as disclosed below, none of the directors and/or major shareholders of KB and/or persons connected to them have any interest, direct or indirect, in the Proposed Disposal:

- i. Tan Sri Dato' Lim Kang Hoo (“**TSDLKH**”), a major shareholder of KB, is deemed interested in the Proposed Disposal in view that he is a sibling of Dato' Lim Hoe (“**DLH**”), Lim Sew Hua (“**LSH**”) and Lim Hai (“**LH**”) who are also the major shareholders and directors of TJSB;
- ii. Dato' Lim Kang Swee (“**DLKS**”), a major shareholder of KB, is deemed interested in the Proposed Disposal in view that he is a sibling of DLH, LSH and LH, who are a shareholders and directors of TJSB;
- iii. LSH, an Executive Director and shareholder of KB, is deemed interested in the Proposed Disposal in view that she is a shareholder and director of TJSB;
- iv. Lim Chen Heng (“**LCH**”), an Executive Director of KB, is deemed interested in the proposed disposal in view that he is a person connected to TSDLKH by virtue of him being a son of TSDLKH;
- v. Lim Chen Thai (“**LCT**”), an Executive Director and shareholder of KB, is deemed interested in the Proposed Disposal in view that he is a person connected to TSDLKH by virtue of him being a son of TSDLKH;
- vi. Kinston Park Sdn Bhd and Aman Setegap Sdn Bhd, who are both major shareholders of KB, are deemed interested in the Proposed Disposal in view that TSDLKH is a director and major shareholder of both companies;
- vii. DYAM Tunku Ismail Ibni Sultan Ibrahim (“**DYAM Tunku Ismail**”), the Chairman, Non-Independent Non-Executive Director and major shareholder of KB, is deemed interested in the Proposed Disposal in view that he is a person connected to TSDLKH by virtue of his directorship and shareholdings in Aman Setegap Sdn Bhd; and
- viii. Dato Seri Mohamad Jaifuddin Bin Bujang Mohidin (“**Dato Seri Jaifuddin**”), the alternate director to DYAM Tunku Ismail in KB, is deemed interested in the Proposed Disposal in view that he is a person connected to TSDLKH.

The Proposed Disposal is deemed to be a related party transaction pursuant to Paragraph 10.08 of the Listing Requirements by virtue of the relationship between the major shareholders of KB, namely TSDLKH and DLKS and the directors and shareholders of TJSB, namely DLH, LSH and LH.

Accordingly, DYAM Tunku Ismail, Dato Seri Jaifuddin, LSH, LCH and LCT (collectively, the “**Interested Directors**”) will abstain from all deliberations and voting at Board meetings in relation to the Proposed Disposal.

## 13. TRANSACTIONS WITH RELATED PARTY(IES) FOR THE PRECEDING 12 MONTHS

Save for the Proposed Disposal, there were no transactions between KB's Group and TJSB during the preceding twelve (12) months from the date of this Announcement.

#### **14. AUDIT COMMITTEE'S STATEMENT**

The Audit Committee of the Company, after having considered the Proposed Disposal, including its rationale, financial effects and risk factors, is of the view that the Proposed Disposal is:

- (a) in the best interest of the Company;
- (b) fair, reasonable and on normal commercial terms;
- (c) the Proposed Disposal is at arm's length and on terms no more favourable to the related parties than those generally available to the public; and
- (d) not detrimental to the interest of the minority shareholders of the Company.

In forming its views, the Audit Committee of the Company has taken into consideration, amongst others, the following:

- (a) the rationale for the Proposed Disposal;
- (b) the salient terms of the SPA;
- (c) the basis and justification for arriving at the Disposal Consideration; and
- (d) the effects of the Proposed Disposal.

#### **15. DIRECTORS' STATEMENT**

After having considered all aspects of the Proposed Disposal including but not limited to the terms of the SPA, rationale and effects of the Proposed Disposal, the Board (save for the Interested Directors who have abstained from deliberating and voting in respect of the Proposed Disposal at the relevant Board meetings) is of the opinion that the Proposed Disposal is in the best interest of the Company.

#### **16. PERCENTAGE RATIOS**

The highest percentage ratio applicable to the Proposed Disposal, being a related party transaction, pursuant to Paragraph 10.02(g) of the Bursa Securities' Listing Requirements is 2.93%, being the aggregate value of the purchase consideration as compared to the net assets of the KB Group based on the Company's latest consolidated audited financial statements for the financial year ended 31 March 2025.

As the applicable percentage ratio is below 5%, the Proposed Disposal is classified as a non-material transaction and is only subject to an announcement to Bursa Securities.

#### **17. ESTIMATED TIMEFRAME FOR COMPLETION**

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Board expects the Proposed Disposal to be completed by July 2026.

#### **18. DOCUMENTS AVAILABLE FOR INSPECTION**

A copy of the SPA and Valuation Report will be made available for inspection at the registered office of Knusford located at #C-G-03, Blok C, Tropez Residen, Persiaran Danga Perdana, 80200 Johor Bahru, Johor during normal office hours from Monday to Friday (except public holidays) for a period of 3 months from the date of this announcement.

This announcement is dated 11 March 2026.