

KUMPULAN PERANGSANG SELANGOR BERHAD
(Registration No. 197501002218/ 23737-K)
(Incorporated in Malaysia)

Minutes of the Forty-Eighth Annual General Meeting ("**48th AGM**" or "**Meeting**") of Kumpulan Perangsang Selangor Berhad ("**KPS Berhad**" or the "**Company**") held at Shah Alam 2, SACC Convec, No. 4, Jalan Perbadanan 14/9, 40000 Shah Alam, Selangor Darul Ehsan ("**Meeting Venue**") on Tuesday, 20 May 2025 at 10.00 a.m. (Physical Meeting).

PRESENT

Members, Corporate Representatives and Proxies

The attendance of the Members, Corporate Representatives and Proxies at the Meeting Venue as per the Attendance List in **Appendix 1** of the Minutes of Meeting.

Board of Directors ("**Board**")

- 1) Dato' Ts. Saipolyazan bin Mat Yusop ("**Chairman of the Meeting**")
- 2) Dato' Ikmal Hijaz bin Hashim, Senior Independent Director/Chairman of the Nomination & Remuneration Committee
- 3) Puan Norliza binti Kamaruddin, Chairman of the Sustainability Board Committee
- 4) Dato' Noorazman bin Abd Aziz, Chairman of the Board Investment Review Committee
- 5) Ms Sharmila Sekarajasekaran, Chairman of the Board Governance and Risk Committee
- 6) Datuk Syed Izuan bin Syed Kamarulbahrin, Chairman of the Board Audit Committee
- 7) Encik Ahmad Fariz bin Hassan, Managing Director/ Group Chief Executive Officer ("**MD/GCEO**")

Senior Management and Company Secretary

- 1) Puan Suzila binti Khairuddin
Deputy Chief Executive Officer, Finance and Corporate Services ("**DCEOFCS**")
- 2) Encik Azlan bin Abd Jalil
Deputy Chief Executive Officer, Strategy & Investments ("**DCEOSI**")
- 3) Puan Selfia binti Muhammad Effendi
Company Secretary ("**Company Secretary**")

The Attendance List of the Directors, Senior Management, Company Secretary and Auditors is as set out in **Appendix 2** of the Minutes of Meeting.

IN ATTENDANCE

External Auditors from BDO PLT ("**BDO**")

- 1) Ms Koo Swee Lin
- 2) Ms Chee Siaw Wan
- 3) Mr Goh Min Shyan

External Auditors from Ernst & Young PLT ("**EY**")

- 1) Ms Susan Lui
- 2) Mr Kisharn Toolasy Das
- 3) Ms Gee Yeing Chang

1.0 OPENING REMARKS BY THE CHAIRMAN

- 1.1 Dato' Ts. Saipolyazan bin Mat Yusop ("**Dato' Chairman**") presided as Chairman of the 48th AGM.
- 1.2 On behalf of the Board and Management, Dato' Chairman welcomed all Members, Corporate Representatives, Proxies and invited guests who were physically present at the Meeting Venue of the 48th AGM of KPS Berhad.

2.0 QUORUM

- 2.1 Upon confirmation by the Company Secretary on the presence of the requisite quorum, Dato' Chairman called the Meeting to order at 10.00 a.m.
- 2.2 Dato' Chairman introduced himself, each member of the Board, the MD/GCEO, the Management of the Company and External Auditors from BDO and EY.

3.0 NOTICE OF MEETING

- 3.1 The Notice convening the AGM was taken as read.

4.0 PRILIMINARY

- 4.1 The Chairman briefed the Meeting as follows:
- i) The shareholders were encouraged to take the opportunity to participate in the Company's affairs by deliberating and voting on the resolutions put forward at the Meeting.
 - ii) The information on the Company, its activities, results and financial position as of 31 December 2024 together with the MD/GCEO's Message as set out in the 2024 Integrated Annual Report ("**2024 IAR**") which was published on the Company's website on 21 April 2025.
 - iii) In accordance with the Notice of 48th AGM, the cut-off date for determining who shall attend, speak and vote at the AGM was 14 May 2025.
 - iv) As of to date, the Company has a total issued and paid-up capital of 537,385,383 ordinary shares.
 - v) Dato' Chairman informed the Meeting that proxies had been received from members, authorising him to vote on their behalf as indicated in the proxy forms.
 - vi) In accordance with the Main Market Listing Requirements ("**MMLR**") of Bursa Securities Malaysia Berhad ("**Bursa Securities**"), all resolutions set out in the Notice of 48th AGM would be voted by way of poll.
 - vii) In polling, each share shall represent one vote, and the polling would be carried out by way of electronic voting (e-voting) which was expected to commence after the Company had dealt with any question posed on the resolutions.
 - viii) There were seven (7) resolutions presented for voting at the AGM. As ordinary resolutions, they required a simple majority vote to be passed.

- ix) Boardroom Share Registrars Sdn Bhd ("**Boardroom**") had been appointed as the Poll Administrator to conduct the poll for the 48th AGM, and Sky Corporate Services Sdn Bhd ("**Sky Corporate**") as Scrutineers to verify the poll results.
 - x) The voting session had commenced from the start of the meeting at 10.00 a.m., and all Members, Corporate Representatives and Proxies attending the 48th AGM were required to vote using their device (smartphone or tablet).
- 4.2 Dato' Chairman informed the Meeting that, to ensure orderly proceedings of the 48th AGM, the Questions and Answers ("**Q&A**") session would be conducted in the following manner:
- i) Presentation by the MD/GCEO's on an overview of the Company's performance for 2024, its achievements, strategy, and prospects going forward.
 - ii) The Q&A Session would be conducted after the presentation of all the proposed Resolutions in the Agenda of the Meeting.
 - iii) The Board and Management of the Company would address questions from the Minority Shareholders Watch Group ("**MSWG**") via its letter dated 15 May 2025, followed by the questions submitted by the Shareholders prior to the 48th AGM via the Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>. Thereafter, the questions posed from Members, Corporate Representatives and Proxies physically present in person at the Meeting Venue.
 - iv) The Members, Corporate Representatives and Proxies were required to keep questions and comments clear and concise, and to observe decorum at the Meeting in order to ensure the effective use of time at the Meeting.

5.0 MD/GCEO'S PRESENTATION

- 5.1 Dato' Chairman invited the MD/GCEO to provide an overview of the Company's performance for 2024, its achievements, strategy and prospects going forward as per **Appendix 3** attached.
- 5.2 The MD/GCEO presented the following Business Review and Prospects'
- i) 2024 Operational Highlights;
 - ii) 2024 Financial Highlights;
 - iii) Non-Financial Achievements; and
 - iv) Managing Prospects.
- 5.3 Dato' Chairman thanked the MD/GCEO for the presentation and informed the Meeting that any questions pertaining to the MD/GCEO's presentation would be addressed during the Q&A session.
- 5.4 Dato' Chairman then proceeded with the items on the agenda of the 48th AGM.

6.0 AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 AND THE REPORTS OF DIRECTORS AND AUDITORS

- 6.1 The Audited Financial Statements for the financial year ended 31 December 2024, together with the Reports of the Directors and the Auditors ("**AFS 2024**"), were circulated to all shareholders in accordance with the Company's Constitution.
- 6.2 Dato' Chairman declared that the AFS 2024, together with the Reports of the Directors and Auditors, duly tabled at the 48th AGM in accordance with Section 340(1)(a) of the Companies Act 2016 ("**CA 2016**"), were duly received. Dato' Chairman explained that the AFS 2024 were for discussion only under Agenda 1, as it did not require shareholders' approval. Hence, it would not be put up for voting.
- 6.3 Dato' Chairman proceeded to Ordinary Resolution 1 of the Ordinary Business.

7.0 ORDINARY RESOLUTION 1
- DECLARATION OF SINGLE-TIER FINAL DIVIDEND OF 2 SEN PER SHARE ("SINGLE-TIER FINAL DIVIDEND")

- 7.1 Dato' Chairman proceeded to Ordinary Resolution 1 regarding the Single-Tier Final Dividend for the financial year ended 31 December 2024.
- 7.2 The single-tier final dividend, if approved, would be paid on 18 June 2025 to the members based on the Record of Depositors at the close of business on 5 June 2025.
- 7.3 Resolution 1 was proposed by Dato' Chairman and seconded by Mr Kow Li Shi.
- 7.4 Dato' Chairman informed the Meeting that the motion to vote by poll would be conducted after the Q&A session, and henceforth, he proceeded with the next Agenda item.

8.0 ORDINARY RESOLUTION 2
- RE-ELECTION OF DIRECTOR - DATO' NOORAZMAN BIN ABD AZIZ ("DATO' NOORAZMAN")

- 8.1 The Meeting proceeded to Ordinary Resolution 2 to re-elect Dato' Noorazman as Director of the Company, who retired pursuant to Clause 76(3) of the Company's Constitution.
- 8.2 Dato' Chairman informed the Meeting that Dato' Noorazman, who retired pursuant to Clause 76(3) of the Company's Constitution, were eligible for re-election. Dato' Noorazman has offered himself for re-election. The profile of Dato' Noorazman was provided to the Members on page 158 of the 2024IAR.
- 8.3 Resolution 2 was proposed by Dato' Chairman and seconded by Puan Salbiah binti Kadir.
- 8.4 Since voting would be conducted on a poll after the Q&A session, the Meeting proceeded with the next item on the agenda.

9.0 ORDINARY RESOLUTION 3

- RE-ELECTION OF DIRECTOR - ENCIK AHMAD FARIZ BIN HASSAN ("ENCIK AHMAD FARIZ")

- 9.1 The Meeting proceeded to Ordinary Resolution 3 to re-elect Ahmad Fariz as Director of the Company, who retired pursuant to Clause 76(3) of the Company's Constitution.
- 9.2 Dato' Chairman informed the Meeting that Ahmad Fariz, who retired pursuant to Clause 76(3) of the Company's Constitution, were eligible for re-election. Ahmad Fariz has offered himself for re-election. The profile of Ahmad Fariz was provided to the Members on page 161 of the 2024IAR.
- 9.3 Resolution 3 was proposed by Dato' Chairman and seconded by Puan Arbaayah binti Ahamad.
- 9.4 Since voting would be conducted on a poll after the Q&A session, the Meeting

10.0 ORDINARY RESOLUTION 4

- PAYMENT OF DIRECTORS' REMUNERATION UP TO AN AMOUNT OF RM1,798,700 IMMEDIATELY AFTER THE 48TH AGM UNTIL THE NEXT AGM OF THE COMPANY ("PAYMENT OF DIRECTORS' REMUNERATION")

- 10.1 Dato' Chairman proceeded to Ordinary Resolution 4 to consider the recommended Payment of Directors' Remuneration to the Directors up to an amount of RM1,798,700 until the next AGM of the Company. Section 230(1) of CA 2016 provides, amongst others, that "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.
- 10.2 Dato' Chairman elaborated that the payment was in respect of the Directors' fees and benefits payable to the Non-Executive Directors ("**NEDs**") of the Company and its subsidiaries for the period of about twelve (12) months from 20 May 2025 until the next AGM of the Company.
- 10.3 Resolution 4 was proposed by Dato' Chairman and seconded by Puan Hashimah binti Mohd Isa.
- 10.4 Since voting would be conducted on a poll after the Q&A session, Dato' Chairman proceeded with the next item on the agenda.

11.0 ORDINARY RESOLUTION 5

- PAYMENT OF EX-GRATIA TO ELIGIBLE NON-EXECUTIVE DIRECTORS ("PAYMENT OF EX-GRATIA")

- 11.1 Dato' Chairman proceeded to Ordinary Resolution 5 to consider the recommended the Payment of Ex-Gratia amounting to RM1,000,000 to the eligible NEDs, of KPS Berhad as listed on pages 250 to 251 of the 2024 IAR, in recognition of their contributions to the successful divestment of KaiserCorp Corporation Sdn Bhd ("**KaiserCorp**").
- 11.2 Resolution 5 was proposed by Dato' Chairman and seconded by Puan Hashimah binti Mohd Isa.
- 11.3 Since voting would be conducted on a poll after the Q&A session, Dato' Chairman proceeded with the next item on the agenda.

**12.0 ORDINARY RESOLUTION 6
- PROPOSED CHANGE OF AUDITORS**

- 12.1 Dato' Chairman proceeded to Ordinary Resolution 6 to consider the appointment of EY in place of the retiring auditors, Messrs BDO PLT, for the financial year ending 31 December 2025 and to hold office until the conclusion of the next AGM, with remuneration to be determined by the Board.
- 12.2 Dato' Chairman informed the Meeting that BDO had served as the external auditors for KPS Berhad and its main subsidiaries since 2018. The decision to change the Company's external auditor was made as part of our commitment to uphold audit quality, objectivity, and good corporate governance. While the Malaysian Institute of Accountants (MIA) By-Laws specifically mandate partner rotation for public interest entities after a maximum of seven (7) consecutive years, the Company had adopted this principle more broadly as a benchmark for best practice.
- 12.3 Furthermore, while not mandatory, the Company was of the view that periodic rotation of the audit firm, rather than solely the audit partner to further strengthens auditor independence and introduces a fresh perspective to the audit process. BDO had informed the Board that they would not be seeking re-appointment as the Company's auditors at the 48th AGM.
- 12.4 Based on the recommendation of the BAC, the Board had proposed the appointment of EY as the Company's new auditors, replacing BDO, for the financial year ending 31 December 2025. The BAC had conducted a thorough assessment of EY's independence and capabilities and was satisfied with their suitability for the role. EY had also provided written consent to act as the Company's auditors.
- 12.5 Resolution 6 was proposed by Dato' Chairman and seconded by Puan Nurul Natasha binti Muhammad Shahrum.
- 12.6 Since voting would be conducted on a poll after the Q&A session, Dato' Chairman proceeded with the next item on the agenda.

**13.0 ORDINARY RESOLUTION 7
- PROPOSED RENEWAL OF EXISTING SHAREHOLDERS' MANDATE FOR RECURRENT RELATED PARTY TRANSACTIONS ("RRPT") OF A REVENUE OR TRADING NATURE ("PROPOSED SHAREHOLDERS' MANDATE FOR RRPT")**

- 13.1 Dato' Chairman highlighted that before putting the proposed Ordinary Resolution 7 to a vote, those deemed interested in the proposal, including himself, as detailed in the Circular to Shareholders dated 21 April 2025, were reminded to abstain from voting on the same.
- 13.2 Resolution 7 was proposed by Dato' Chairman and seconded by Puan Norfadzillah binti Idris.
- 13.3 Since voting will be conducted on a poll after the Q&A session, Dato' Chairman proceeded with the next item on the agenda.

14.0 ANY OTHER BUSINESS

14.1 Upon confirmation by the Company Secretary, Dato' Chairman informed the Meeting that there was no other business to be transacted of which due notice had been given in accordance with the Company's Constitution and the CA 2016.

15.0 Q&A SESSION

15.1 Dato' Chairman informed the Meeting that the Company received questions prior to the meeting from Shareholders via the query box and during the 48th AGM.

15.2 The MD/GCEO proceeded to read out the questions received prior to the 48th AGM via the Query Box facility from the Members, Corporate Representatives and Proxies, and provided the answers/responses for the same, accordingly. The details of the questions and answers posted by the shareholders and/or proxies prior to the AGM as set out in **Appendix 4**.

15.3 Before the Dato' Chairman opens the floor for Members, Corporate Representatives, and Proxies to raise questions, he invites the MD/GCEO to read out the questions submitted by MSWG in its letter dated 15 May 2025, to which the Company responded on 19 May 2025. The details of the MSWG Questions and the corresponding Answers was as per **Appendix 5**.

15.4 Dato' Chairman then opened the floor for questions from the Members, Corporate Representatives and Proxies physically present in the Meeting Venue on the AFS2024, as well as the proposed Resolutions 1 to 7. The Board and Senior Management of the Company provided the answers/ responses to the questions accordingly.

15.5 The complete list of questions received from the Members, Proxies and Corporate Representatives prior to the 48th AGM, together with answers/responses for the same, was attached as **Appendix 6**.

15.6 Dato' Chairman concluded the Q&A session and thanked the Members, Corporate Representatives, and Proxies for the questions raised.

16.0 E-VOTING ON THE RESOLUTIONS

16.1 The Chairman informed the Meeting that the poll for all proposed resolutions would be administered by the Share Registrar, Boardroom, and the appointed scrutineer, namely, Sky Corporate.

16.2 Dato' Chairman invited all present to give attention to the video presentation on the tutorial of e-voting.

16.3 Dato' Chairman invited the Members, Corporate Representatives and Proxies to proceed to cast their votes by way of e-voting and to scan the QR code displayed on the right and left of the screens to claim their door gifts.

Dato' Chairman informed the shareholders that the Meeting would be adjourned for 30 minutes or until the scrutineer had verified the votes.

17.0 ANNOUNCEMENT OF POLL RESULTS

- 17.1 Dato' Chairman called the Meeting to order for the declaration of results. He announced the poll results, which had been verified by the appointed Scrutineers, Sky Corporate.
- 17.2 Dato' Chairman informed those present that the total number of votes cast in the poll, along with the percentage in favour of and against the resolutions, would be displayed on the screen for their viewing.
- 17.3 According to the verified poll results by the Scrutineers, Dato' Chairman declared that all resolutions tabled at the 48th AGM were carried, with the exception of one (1) resolution, namely Ordinary Resolution 7, which was not carried, as summarised below:

Kumpulan Perangsang Selangor Berhad
48th Annual General Meeting ("AGM")
Shah Alam 2, SACC Convec, No. 4, Jalan Perbadanan 14/9, 40000 Shah Alam, Selangor Darul Ehsan
Tuesday, 20 May 2025 at 10.00 a.m.

Polling Results

| RESOLUTION | Vote FOR | | | Vote AGAINST | | | TOTAL Vote |
|-----------------------|----------|-------------|---------|--------------|------------|---------|-------------|
| | NO. OF | | | NO. OF | | | NO. OF |
| | RECORDS | SHARES | % | RECORDS | SHARES | % | SHARES |
| ORDINARY RESOLUTION 1 | 168 | 334,738,276 | 99.9979 | 11 | 7,195 | 0.0021 | 334,745,471 |
| ORDINARY RESOLUTION 2 | 157 | 321,724,352 | 99.6836 | 21 | 1,021,119 | 0.3164 | 322,745,471 |
| ORDINARY RESOLUTION 3 | 163 | 333,731,500 | 99.6971 | 16 | 1,013,971 | 0.3029 | 334,745,471 |
| ORDINARY RESOLUTION 4 | 147 | 333,718,155 | 99.6931 | 32 | 1,027,316 | 0.3069 | 334,745,471 |
| ORDINARY RESOLUTION 5 | 113 | 320,781,676 | 95.8288 | 65 | 13,962,795 | 4.1712 | 334,744,471 |
| ORDINARY RESOLUTION 6 | 159 | 334,731,569 | 99.9958 | 20 | 13,902 | 0.0042 | 334,745,471 |
| ORDINARY RESOLUTION 7 | 154 | 1,290,891 | 9.0194 | 22 | 13,021,511 | 90.9806 | 14,312,402 |



17.4 Ordinary Resolution 1:

To approve a single tier final dividend of 2 sen per share in respect of the financial year ended 31 December 2024.

Based on the votes cast, Dato' Chairman declared that by majority votes of 99.99%, the following motion be and hereby duly carried:

"THAT a single tier final dividend of 2 sen per share in respect of the financial year ended 31 December 2024 be and hereby approved."

17.5 Ordinary Resolution 2:

To re-elect Dato' Noorazman bin Abd Aziz, who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible, offers himself for re-election.

Based on the votes cast, Dato' Chairman declared that by majority votes of 99.68%, the following motion be and hereby duly carried:

"THAT Dato' Noorazman bin Abd Aziz, who retires pursuant to Clause 76(3) of the Company's Constitution, be re-elected as Director of the Company."

17.6 Ordinary Resolution 3:

To re-elect Encik Ahmad Fariz bin Hassan, who retires pursuant to Clause 76(3) of the Company's Constitution and who being eligible, offers himself for re-election.

Based on the votes cast, Dato' Chairman declared that by majority votes of 99.70%, the following motion be and hereby duly carried:

"THAT Encik Ahmad Fariz bin Hassan, who retires pursuant to Clause 76(3) of the Company's Constitution, be re-elected as Director of the Company."

17.7 Ordinary Resolution 4:

To approve the payment of Directors' remuneration to the Directors up to an amount of RM1,798,700 from 20 May 2025 (48th AGM) until the next AGM of the Company.

Based on the votes cast, Dato' Chairman declared that by majority votes of 99.69%, the following motion be and hereby duly carried:

"THAT the payment of Directors' Remuneration to the Directors up to an amount of RM1,798,700 from for the period immediately after the 48th AGM until the next AGM of the Company be hereby approved".

17.8 Ordinary Resolution 5:

To approve an ex-gratia payment of RM1,000,000 to the eligible NEDs in recognition of their contributions leading to the successful divestment of Kaisercorp.

Based on the votes cast, Dato' Chairman declared that by majority votes of 95.83%, the following motion be and hereby duly carried:

"THAT the payment of Ex-Gratia payment of RM1,000,000 to the eligible Non-Executive Directors of the Company be hereby approved".

17.9 Ordinary Resolution 6:

To appoint EY as Auditors of the Company in place of the retiring Auditors, BDO for the financial year ending 31 December 2025 and to hold office until the conclusion of the next AGM and to authorise the Directors to fix their remuneration.

Based on the votes cast, Dato' Chairman declared that by majority votes of 99.99%, the following motion be and hereby duly carried:

"THAT Messrs Ernst & Young PLT be and hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs BDO PLT for the financial year ending 31 December 2025 and to hold office until the conclusion of the next AGM at a remuneration to be determined by the Directors".

17.10 Ordinary Resolution 7:

Proposed Renewal of Existing Shareholders' Mandate for RRPT of a Revenue or Trading Nature.

Based, Dato' Chairman declared that the following motion was **not carried**, having received a majority vote of 90.98% against it.

*"THAT subject always to the provisions of the CA2016 and pursuant to Paragraph 10.09 of the MMLR of Bursa Securities, KPS Berhad Group be and is hereby authorised to enter into and give effect to the RRPT of a revenue or trading nature with the related parties as set out in Section 2.3 of the Circular to Shareholders dated 21 April 2025 ("**Related Parties**") provided that such transactions and/or arrangements are:*

- a) recurrent transactions of a revenue or trading nature;*
- b) necessary for the day-to-day operations;*
- c) undertaken in the ordinary course of business at arm's length basis and are on normal commercial terms and transaction prices which are not more favourable to the Related Parties than those generally available to the public; and*
- d) not detrimental to the minority shareholders of the Company,*

*(collectively known as "**Proposed Shareholders' Mandate**")*;

AND THAT such approval shall continue to be in force until:

- a) the conclusion of the next AGM of the Company following the AGM at which the Proposed Shareholders' Mandate is passed, at which time it will lapse unless the authority is renewed by a resolution passed at such AGM; or*
- b) the expiration of the period within which the next AGM of the Company after that date is required to be held under Section 340(2) of the CA2016 (but must not extend to such extension as may be allowed pursuant to Section 340(4) of the CA2016); or*
- c) revoked or varied by ordinary resolution passed by the shareholders of the Company in a general meeting*

whichever is earlier;

AND THAT the Directors of the Company be and are hereby authorised to complete and do all such acts, deeds and things to give effect to the aforesaid Proposed Shareholders' Mandate and transactions contemplated under this resolution."

18.0 CONCLUSION

18.1 Dato' Chairman thanked all shareholders and proxies for their presence and participation. Dato' Chairman also took the opportunity to thank his fellow Board members and Management.

18.2 Dato' Chairman declared the 48th AGM of KPS Berhad closed at 2.19 p.m.

CONFIRMED AS A CORRECT RECORD



CHAIRMAN OF THE MEETING

Dated: 1 July 2025

48th Annual General Meeting

BUSINESS REVIEW & PROSPECT

Tuesday | 20 May 2025



Ahmad Fariz Hassan
Managing Director / Group CEO



01

2024 Operational Highlights

Navigating Operating Challenges in 2024

Lower Sales Volume, Revenue Growth Moderated

01

Weaker Demand



Weaker Consumer
Sentiment

Built-up Inventory

Weaker Order Pull

02

Elevated Input Costs



Raw Materials

Overhead

Lower PAT Margins

03

Supply Chain Disruption



- Geopolitics and trade policies escalated operational costs across sectors.
- For example, automotive and semiconductors sectors faced challenges due to increased tariffs on critical components imported from China.

Regardless of The Challenges, VCPs Continued

Fundamentals Fortified

| KEY PERFORMANCE INDICATORS | ACHIEVEMENTS | NEW PROJECTS/CONTRACTS |
|--|----------------------|---|
| TOYOPLAS 1. New customers 2. New projects | 3 2 |      <p>Box build projects Plastic parts for DJ system, security cameras.</p> |
| CPI 1. New customers 2. New projects | 3 2 |      <p>Smartphone holder, Eurocopter controller, Security camera, PCBA for caravan's electronics system</p> |
| CBB 1. New customers/projects from Offset division 2. New models from existing customers – direct end customers | 5 5 |     <p>Paper bags for autoclave aerated concrete. Offset packaging for electrical, dairy and stationary products. Cartons boxes for tiles, cooking oil, plastic products. OEM household products</p> |
| MDS Advance 1. New customers 2. New projects | 2 6 |      <p>High precision machining parts for semiconductors devices, X-Ray test devices, telecommunications devices</p> |
| AQUA-FLO 1. New contracts from customers 2. New products | 6 2 |    <p>Secured six new contracts, including a three-year contract with Air Selangor in February 2024 for the supply of water meters.</p> |

Note: All pictures shown are for illustration purposes only and do not represent the actual products/parts manufactured for our customers

Amongst Other Strategic Executions

To Enhance Business Focus & Competitiveness

Strategic Asset Sale



- Sales proceeds of RM271.5 million.



- Sale of Plaza Perangsang. RM46 million proceeds.

Business Streamlining



- Toyoplas' Vietnam plant posted highest growth, driven by projects transferred from Shanghai.

- 4 key customers
- 77 injection molding machines

Social Stewardship



- Construction of centralised living quarters (CLQ) in 2025.

- Three five-storey blocks for 480 workers.
- Responsible Business Alliance (RBA) compliance.
- Expected to save RM1.9 million per annum.

Operational Restructuring



- Shifted from corrugating to converting-focused for cost efficiency.

- Increase GP margin for carton division by 11% from -10%.



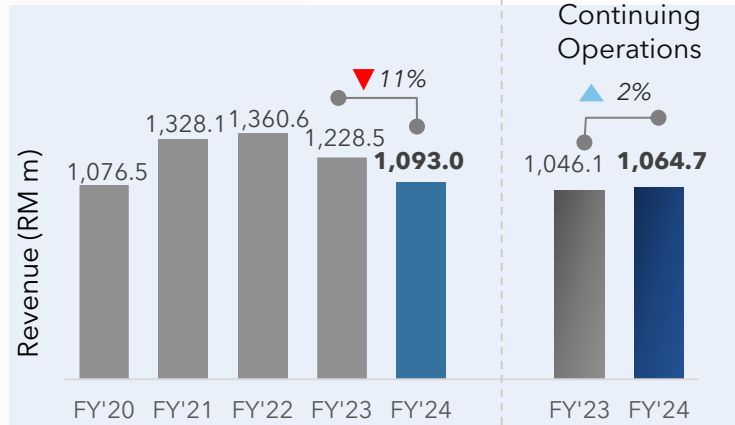
02

2024 Financial Results

Our Strategy Works

Steady Revenue, Earnings Boosted by Core Performance & Asset Sale

Revenue



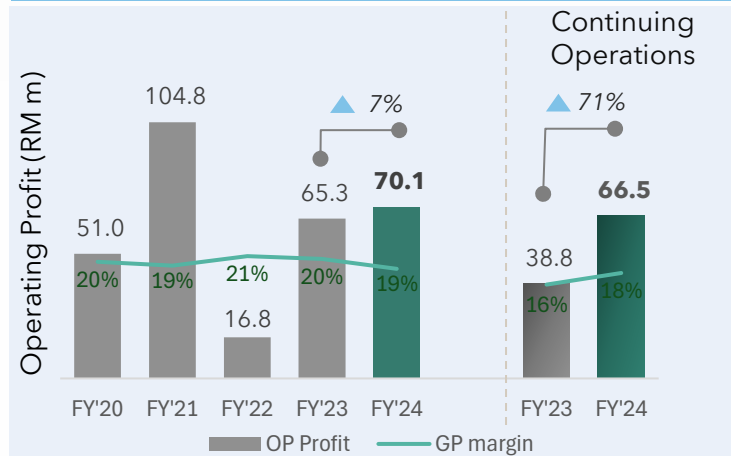
FY'24 vs FY'23

- **Total:** Eased 11% as Kaiserkorp only contributed two months' revenue.
- **Continuing:** Growth moderated due to global economic slowdown in specific sectors, caused by weaker consumer sentiment.

FY'20 to FY'24

- The trend reflects a global normalisation of supply and demand post-COVID-19 pandemic.

Operating Profit



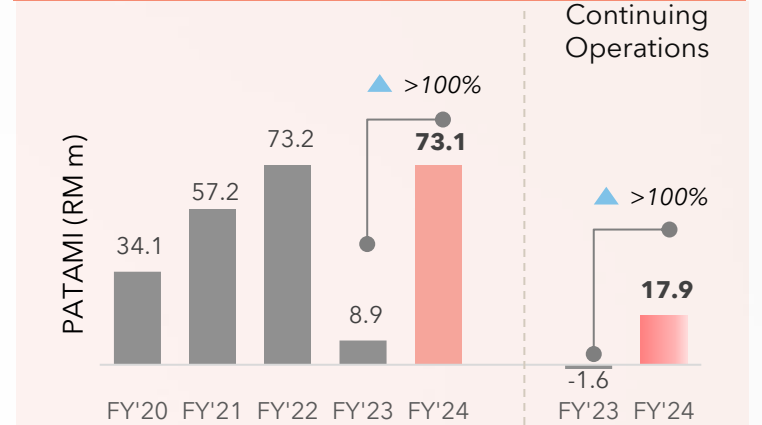
FY'24 vs FY'23

- **Total:** Improved 7% with Toyoplas' turnaround and steady performance from Aqua-Flo.
- **Continuing:** Improved profitability from lower operating costs, supported by a more efficient cost structure at Toyoplas, and higher profitability from Aqua-Flo.

FY'20 to FY'24

- The Group VCPs maintained resilient GP margins despite market and operational challenges. FY'22 performance was impacted by RM68.8 million impairment on investment in associates.

Profit Attributable to Owners of the Parent



FY'24 vs FY'23

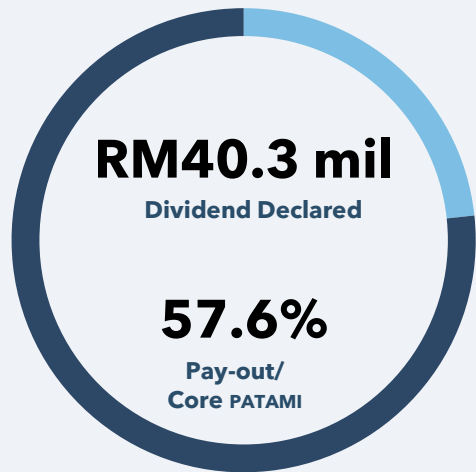
- **Total:** The surge was further driven by the strategic asset sales.
- **Continuing:** Supported by Toyoplas' turnaround and Aqua-Flo's performance

FY'20 to FY'24

- Strategic asset sales enhanced earnings in FY'22 and FY'24.
- Streamlining and restructuring of Toyoplas' business in FY'23 fostered operational resilience, resulting in turnaround in earnings in FY'24.

Our Strategy Works

Consistent Delivery of Financial Commitment to Shareholders



4.5 sen per ordinary share

Special Dividend

RM24,182,342 payout

Paid on 30 April 2024

3.0 sen per ordinary share

Interim & Final Dividend

RM16,121,561 payout

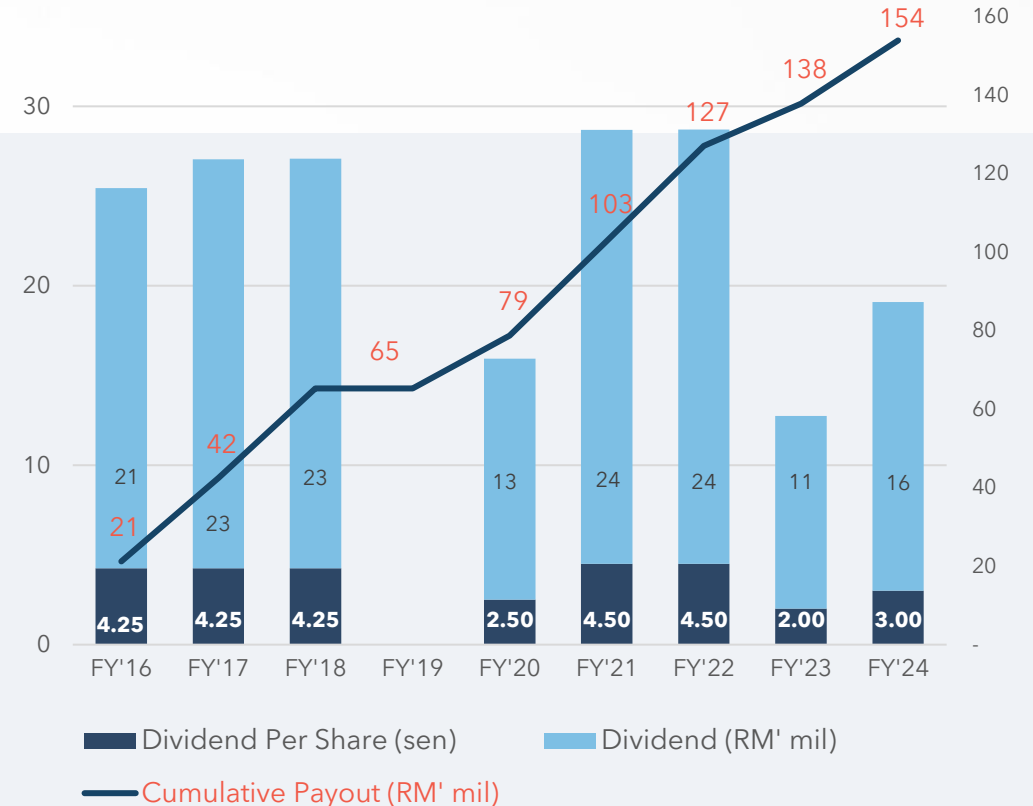
Interim paid on 30 December 2024.

Final to be paid on 18 June 2025, subject to the shareholders' approval at the 48th AGM

Dividend Policy

≥ 30.0% of the Group's Normalised Core PATAMI

Steady Dividend since BTP



Notes:

1) Special dividends: 32.6 sen (RM175.2 mil) in FY'19 (SPLASH), 4.5 sen (RM24.2 mil) in FY'22 (SPRINT), 4.5 sen (RM24.2 mil) in FY'24 (Kaisercorp).

2) Cumulative dividends since BTP = RM379 million (including special dividends).



03

Non-Financial Achievements

Strides in ESG Areas

Long-term Value Protected, Business Resilience Safeguarded

Carbon Footprint



- Enhanced carbon accounting for operations outside Malaysia.

Climate-related Disclosures



- Initiated climate-related disclosures based on IFRS S2 requirements.

How ESG Benefits Us?



- Strengthen risk management practices, making KPS Berhad more resilient.
- Driving efficiency with smarter use of resources, often leading to cost savings.
- Guarding from future risks, like rising costs, stricter regulations, and supply chain disruption.

Competitiveness

Resilience

Profitability

Reputation

FTSE Ranking

- Scoring improved to 3.3 in 2024, from 2.6 in 2023.

CSRs/Community Development

- Benefited more than 115,000 stakeholders.

Awards & Recognition

High-Performance Culture Upheld

2024



NACRA 2024: Platinum Market Capitalisation below RM.2.0 billion



Sustainability & CSR Malaysia Award 2024: Sustainability Leadership Award



Lembaga Zakat Selangor: Anugerah Majikan Paling Setia



UNGC 2024: Sustainability Awareness & Employee Recognition



Malaysia Best Employer Brand Awards 2024

Previous years



ACCA Approved Employer Awards 2023 for both Professional Development and Trainee Development (Platinum)



Sustainability & CSR Malaysia Awards 2023



Sustainability & CSR Malaysia Awards 2022: Overall Excellence in Community Upliftment Initiatives



Bronze Category in the Integrity, Governance and Anti-Corruption Award ("AIGA") 2023



Best Employer Brand Awards 2023



Silver NACRA 2022 Excellence Awards



The Edge Centurion Club Awards for 2023



Gold NACRA 2023 National Annual Corporate Report



Sustainability & CSR Malaysia Awards 2022: Long-Standing Excellence in Sustainability



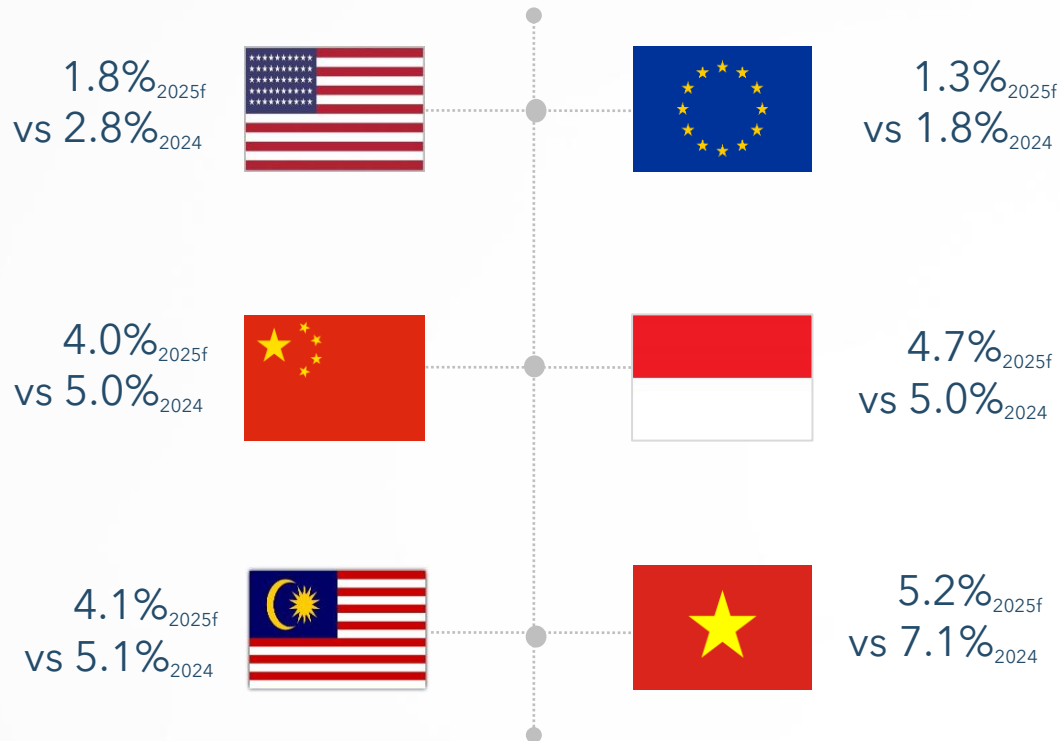
04

Managing Prospects

Operating Landscape Expected to Remain Complex

Geopolitics Could Hamper Growth

Expected GDP Growth within our Value Chain:



Source: World Economic Outlook - International Monetary Fund as of April 2025

Potential Impact of US Trade Policies

01 Supply Chain

1. Nearshoring & Regionalisation
2. Increase in Costs from Supplier Diversification

02 Regulatory

1. Diverging Standards Increase Compliance Burden
2. Potential Added Costs to Meet US Requirements

03 Strategic

1. Investment Shift Toward Politically Aligned Regions
2. Capital Relocation May Slow Global Growth

04 Operational

1. Operations Might Be Redesigned for Agility
2. Plausible Increase in Inventory

Addressing Operational Challenges

To Further Business Resilience

Slower Demand Recovery



- Global demand forecast to remain moderated in 2025.
- More customers are keeping low inventory close to just-in-time.

Input Costs



- Increase in minimum wage rate from RM1,500 to RM1,700, with effect from February 2025.
- RM5.1 mil estimated impact from minimum wages hike
- RM1.6 mil estimated impact from potential electricity hike in July'25

Foreign Exchange Impact



- Increased market volatility due to the uncertainty of US foreign policy.
- USD is forecast to weaken against MYR in FY'25 following the expected rate cut by 100 basis points.
- RM699,000 impact with 1% change in foreign exchange rate.
- 49% of the Group's trade receivables are in foreign currency, with 44% in USD.

PAT Margin Compressions



- Intensified price competition against foreign giant.
- US tariff & trade policies
- 4% of budgeted sales have direct trade with US companies.
- 20% have indirect trade where customers ship their products to the US.

Strategic Initiatives in 2025



- Business restructuring
- Cost optimisation
- Enhancement of manufacturing capacity and capabilities
- Sales development by growing customer base

2025 Strategic Initiatives

VCPs in Place to Foster Future Growth

CAPEX = RM107 million



- Infrastructure, including CLQ construction at Toyoplas & CPI. RM68.1 million. (64%)
- Machineries. RM34.9 million. (32%)
- IT & Vehicle. RM4.4 million. (5%)

**BUSINESS
RESTRUCTURING**

**COST
OPTIMISATION**

**ENHANCEMENT OF
MANUFACTURING
CAPACITY AND
CAPABILITIES**

**SALES DEVELOPMENT BY
GROWING CUSTOMER
BASE**

Drive Sales Growth

Improve Profitability Margins

Competitiveness & Resilience

Strengthen Earnings Base & Visibility

OBJECTIVES

**ENABLING
INITIATIVES**

Thank You

Investor Relations, Sustainability & Communications

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KUMPULAN PERANGSANG SELANGOR BERHAD

Registration No. 197501002218 (23737-K)

48th ANNUAL GENERAL MEETING

Tuesday | 20 May 2025 | Shah Alam Convention Centre

**Pre-AGM Questions and Answers
from Shareholders**

Question 1

From: Mr. Teo Cher Ming

- Page 17 of the audited financial statements (AFS) mentioned the shortfall in profit for MDS; thus, the vendor is required to remit the balance of the shortfall to KPS Berhad, as there is a profit guarantee. Has the amount been received to date?

Answer 1:

- Yes, on 19 March 2025, KPS received the outstanding shortfall of RM4.955 million under the profit guarantee arrangement for MDS.

(End of the Answer to Question 1)

Question 2

From: Mr. Teo Cher Ming

- With the recent uncertainty and constant changes regarding US tariffs, does KPS Berhad expect Toyoplas, CPI, CBB, and MDS to be significantly impacted, given that Toyoplas has operations in China and a quite sizeable operation in Vietnam?

Answer 2:

- To date, there has been no significant impact on customer orders. Most subsidiary companies have a moderate exposure to the U.S. reciprocal tariffs, with direct sales to the U.S. market accounting for only 4% of total group revenue. Indirect sales to the U.S. market through third parties, such as contract manufacturers, represent approximately 20% of total group revenue. The majority of our sales are directed towards non-U.S. markets.

(Continue to the next page)

Answer 2:

- Feedback from customers who may be impacted by the reciprocal tariff indicates that most are adopting a wait-and-see approach/refraining from making long-term changes due to the uncertainty.
- Nevertheless, we continue to monitor the situation closely and have implemented interim measures, including customer engagement, benchmarking and exploring alternative markets to mitigate potential risks.

(End of the Answer to Question 2)

Question 3

From: Mr. Teo Cher Ming

- With the introduction of the RM1,700 minimum wage in Malaysia, how much of a cost increase is expected, and can these costs be passed on to the customers?

Answer 3:

- The estimated impact of the minimum wage increase is approximately RM5 million.
- We are addressing this through operational efficiencies, supplier renegotiations, and, where possible, cost pass-through to customers.
- To date, several customers have agreed to the cost pass-through arrangement, although there will be a time lag due to the timing of repricing. Discussions with other customers are ongoing to explore appropriate cost pass-through mechanisms.

(End of the Answer to Question 3)

KUMPULAN PERANGSANG SELANGOR BERHAD

(Registration No. 197501002218 / 23737-K)

(Incorporated in Malaysia)

**RESPONSE TO MSWG QUESTIONS**

| NO. | QUESTIONS | ANSWERS |
|--|---|---|
| OPERATIONAL & FINANCIAL MATTERS | | |
| 1. | <p>At the 47th AGM, the Group stated that the normalised net profit margin of Malaysia and China in FY2023 was 4%. Meanwhile, Vietnam and Indonesia were not profitable in FY2023, considering the sales level. Nevertheless, the Group was targeting a higher net profit margin for all countries in FY2024 as Toyoplas Manufacturing (Malaysia) Sdn Bhd ("TMM") will reap benefits from cost management efforts undertaken in FY2023.</p> <p>a) Did the Group achieve higher net profit margins in the Malaysia and China operations in FY2024 compared to FY2023?</p> <p>b) With Vietnam recording a remarkable 233.5% year-on-year ("YOY") sales growth in FY2024 (Source: Page 116 of IAR 2024), has the Vietnam operation turned profitable? What was the utilisation rate for the Group's factory in Vietnam for FY2024?</p> <p>c) The Group mentioned that advanced tooling activities are concentrated in Dongguan, while other TMM facilities manage more general operations. (Source: Page 124 of Integrated Annual Report (IAR) 2024)</p> <p>What risk mitigation strategies are in place to ensure continuity of high-spec tooling in the event of geopolitical, regulatory, or operational disruptions in China?</p> | <p>Yes. The Group achieved higher net profit margins in Malaysia, driven by strong revenue growth as well as improved operational efficiency. In China, net profit margins also improved, largely due to the rationalisation of China operations.</p> <p>The Vietnam operation has turned profitable in FY2024. The utilisation rate for the Vietnam's facility is 30%.</p> <p>While Dongguan remains our centre of excellence for advanced tooling, supported by its deep local technical expertise, mature supplier ecosystems, and long-standing investment in precision engineering, we recognise the potential risks posed by geopolitical, regulatory, or operational disruptions in any single geography.</p> <p>To ensure the continuity and resilience of our high-spec tooling operations, the Group has implemented a series of risk mitigation strategies, including:</p> |

| NO. | QUESTIONS | ANSWERS |
|-----|--|--|
| | | <p>i) Dual Sourcing & Technical Transfer Readiness:</p> <p>We are gradually building up secondary tooling competencies in Vietnam and are currently identifying projects to be transferred, which will ultimately allow a replication of key processes and thus enabling a “China+1” backup model in Vietnam.</p> <p>ii) Modular & Digital Tooling Documentation:</p> <p>All critical mold designs and procedures files are centrally archived and digitally secured, enabling rapid transfer and reproduction of tools in alternate plants, if required.</p> <p>iii) Strategic Supplier Diversification:</p> <p>We have expanded our tooling vendor base outside of China, particularly in Southeast Asia countries, to mitigate over-reliance on Dongguan or Chinese suppliers for key components.</p> |
| | <p>d) TMM has successfully onboarded a prominent Europe-based consumer electronics customer, marking a significant milestone in its geographic diversification strategy. (Source: Page 125 of IAR 2024)</p> <p>i) What is the scope and duration of the supply relationship? Is it recurring or project-based?</p> <p>ii) What is the anticipated contribution from this new customer?</p> | <p>i) The scope of work includes the manufacturing of plastic parts and full product assembly. The business operates on a Purchase Order basis, with no fixed contract duration.</p> <p>ii) TMM is currently in discussion with the customer regarding the order pipeline. As is typical of a newly onboarded customer, initial orders tend to be modest as the customer evaluates reliability and compatibility. With consistent performance, reflective of our track-record with existing customers, we</p> |

| NO. | QUESTIONS | ANSWERS |
|-----|--|---|
| | | expect to see a steady increase in volume as the relationship develops further. |
| 2. | <p>In 2025, CPI (Penang) Sdn Bhd ("CPI") plans to invest in five new injection moulding machines and automate secondary processes to boost efficiency. A surface mount technology ("SMT") line for electronics management services (EMS) is also being considered, subject to new business requiring higher speed and precision. (Source: Page 132 of IAR 2024).</p> <p>a) What is the Group's outlook for CPI in FY2025, in terms of revenue contribution and margin sustainability?</p> <p>b) How much capital expenditure has been earmarked for CPI in FY2025?</p> | <p>Revenue outlook for FY2025 projects a modest growth on the back of multi-speed recovery by different industries i.e. stronger growth from Healthcare and Other Electronics segments are expected to be offset by contraction for the Automotive (weaker global demand expected) and CIT (drop from exceptional performance in FY2024) segments. In response, CPI will strengthen efforts to diversify its customer base and secure new projects.</p> <p>While FY2025 margin will be impacted by the increase in minimum wages, CPI continuously develop and implement initiatives targeted for long-term cost management and sustainable profitability. Recent examples of such initiatives: installation of solar PV system at both plants to lower energy costs, and CLQ to reduce cost of workers' accommodation.</p> <p>RM35.9 million has been budgeted for FY2025. This amount includes committed capex e.g. construction of CLQ for CPI's foreign & Orang Asli workers on its existing property, as well as the abovementioned equipment and machineries which will only be purchased when the additional capacity is required.</p> |

| NO. | QUESTIONS | ANSWERS |
|-----|---|---|
| 3. | <p>MDS Advance (“MDS”) has underperformed relative to its original profit guarantee and FY2024 revenue targets of RM27 million, though the Group has outlined several initiatives to reposition the business. (Source: Page 135 of IAR 2024)</p> <p>What gives the Board continued confidence in MDS as a long-term strategic fit within the manufacturing portfolio, and what key performance outcomes would guide further investment decisions?</p> | <p>We acknowledge that MDS Advance underperformed in 2024 due to external headwinds – primarily customer overstocking and a slowdown in capex within the semiconductor and medical sectors. Despite this, we remain confident in MDS’s long-term prospects for several reasons:</p> <ul style="list-style-type: none"> i) Sector Resilience & Alignment – MDS operates in high-value precision machining, servicing critical sectors such as medical devices, semiconductors, and advanced electronics—segments aligned with global megatrends like healthcare innovation and digital infrastructure. These are resilient, long-cycle industries with consistent demand for quality and compliance—areas where MDS has strong capabilities. ii) Recovery Already Underway – As of YTD April 2025, MDS has recorded a 33% revenue growth year-on-year, with profit YTD April is ahead of target. New customers onboarded which is part of the recovery plan have started contributing positively. iii) Turnaround Strategy in Motion – MDS is executing a focused turnaround plan: improving margins, optimizing capacity, investing in automation, and expanding into higher-value thermal solutions capability to deepen its semiconductor exposure. iv) Positioned for Growth Amid U.S.-China Supply Chain Shifts - Malaysia’s current tariff advantage amid US-China trade shifts has made it an increasingly attractive base for global supply chains, particularly in medical and semiconductor sectors – a key opportunity for MDS. |

| NO. | QUESTIONS | ANSWERS |
|-----|--|--|
| | | Ultimately, our confidence is rooted in MDS’s technical strength, sector alignment, and demonstrated agility in adapting to market realities. These form a solid foundation for long-term value creation and justify our continued commitment to the business. |
| 4. | <p>The Group’s trade receivables past due for more than 90 days rose significantly from RM2.5 million in FY2023 to RM10.4 million in FY2024. (Source: Pages 99-100 of the IAR - Audited Financial Statements 2024).</p> <p>a) What is driving the surge in more than 90 days overdue receivables?</p> <p>b) These overdue amounts are tied to which of the Group’s business segments, and are they still considered fully recoverable?</p> | <p>The increase in receivables aged over 90 days was mainly due to timing differences in collections, including delays arising from pricing and billing clarifications. Additionally, certain subsidiaries operate on extended credit terms of up to 120 days, which naturally results in a longer receivable cycle.</p> <p>Most of the overdue amounts were subsequently collected in January 2025, and for balances that remain outstanding, appropriate impairment provisions have been recognised in line with the MFRS 9 Financial Instruments and the Group’s Impairment Assessment Policy.</p> <p>This overdue amount is mainly related to the manufacturing sector. The overdue amounts mainly arose from active corporate clients with healthy business relationships. Management has assessed the amount and of the view that trade receivables are recoverable based on the past payments history. Progressive payment of long overdue debts was made by the customers during the financial year.</p> |

| NO. | QUESTIONS | ANSWERS |
|-------------------------------------|--|---|
| SUSTAINABILITY MATTERS | | |
| 5. | <p>With Dongguan handling advanced tooling production (Source: Page 124 of IAR 2024), is the Group actively pursuing the transfer of high-value manufacturing knowledge and intelligent tooling capabilities to other TMM sites, particularly in Malaysia?</p> <p>If yes, has the Group initiated any formal programmes, training pipelines, or system integrations to support this transfer? What progress or challenges have been observed so far?</p> | <p>Dongguan currently serves as the Group’s center of excellence for advanced tooling, supported by its deep technical expertise and mature supplier ecosystem.</p> <p>Currently, we are gradually building up secondary tooling competencies in Vietnam as part of our “China +1” strategy. This initiative is still in its preliminary stages, with current efforts focused on planning and identifying suitable technical transfer projects that will allow us to replicate key processes outside of China.</p> <p>The objective is to establish Vietnam as a viable backup location for critical tooling functions, thereby enhancing the Group’s operational resilience. Formal training pipelines and group-wide system integrations are, among others, key considerations of the broader capability development roadmap.</p> |
| CORPORATE GOVERNANCE MATTERS | | |
| 6. | <p>Ordinary Resolution 5 - the Company is seeking shareholders’ approval for an ex-gratia payment of RM1.0 million to five Non-Executive Directors in recognition of their contributions leading to the successful divestment of KaiserCorp Corporation Sdn Bhd (“KaiserCorp”). (Source: Page 246 of IAR 2024)</p> <p>a) MSWG does not support ex gratia payments to non-executive directors. The remuneration rendered for independent directors should be sufficient for their services.</p> | <p>Thank you for your question on the basis used in determining the ex-gratia payment of RM200,000 to each eligible Non-Executive Director.</p> <p>Let me acknowledge that any form of discretionary payment to directors, especially outside the regular fee structure, rightly draws scrutiny. We respect the importance of transparency and accountability in this regard, and we appreciate the opportunity to provide clarity.</p> |

| NO. | QUESTIONS | ANSWERS |
|------------|--|---|
| | <p>b) The Board (save for Interested Directors) recommends an Ex-Gratia payment of RM200,000 for each of the eligible Non-Executive Directors (Source: Page 250 of AR2024). As a perspective, the total remuneration for the five Independent Directors for FYE2024 was between RM204,400 to RM253,200 (Source: Page 56 of Corporate Governance Report 2024).</p> <p>What was the basis used in determining the ex gratia amount of RM200,000?</p> | <p>This payment was not made solely in connection with the successful disposal of Kaisercorp Corporation Sdn Bhd. Rather, it was a recognition of the Board's sustained contribution to the Company's long-term value creation journey, dating back to 2016, when KPS Berhad first embarked on its Business Transformation journey. Over the years, the Board has provided active, hands-on oversight through several critical phases of strategic transformation, growing KPS Berhad's asset base from RM1.4 billion to RM2.1 billion prior to the disposal and enabling the Company to pay dividend to its shareholders to the tune of about RM380 million, cumulatively.</p> <p>Kaisercorp disposal was a milestone event, but it represents just one of many value-creating outcomes resulting from years of sound governance, strategic direction, and risk stewardship by the Board.</p> <p>The proposed ex-gratia payments reflect the culmination of this long-term effort, based on the directors' active, multi-year role in guiding the Company's strategic long-term growth, not just transactional oversight. It reflects a structural recognition of sustained performance. It was designed to reflect value-sharing, rewarding those whose actions contributed meaningfully to the Group's value creation.</p> |

KUMPULAN PERANGSANG SELANGOR BERHAD
(Registration No. 197501002218/ 23737-K)
(Incorporated in Malaysia)

This document forms part of the Minutes of the Forty-Eighth Annual General Meeting ("48th AGM" or "Meeting") of Kumpulan Perangsang Selangor Berhad ("KPS Berhad" or "Company") held at Shah Alam 2, SACC Convec, No. 4, Jalan Perbadanan 14/9, 40000 Shah Alam on Tuesday, 20 May 2025 at 10.00 a.m. (Physical Meeting)

The comments and questions raised by shareholders and proxies during the 48th AGM, along with the responses provided by the Company, were summarised as follows:

| No. | Comment and/or Questions from the Shareholder and/or Proxy and the Response from the Chairman and Management |
|---|---|
| Mr Cheng Chang Chai raised the following points of order during the Meeting: | |
| 1. | <p>On the last sentence of item no. (l) of the Administrative Guide to Shareholders ("Admin Guide"):</p> <p><i>"...The member agrees that he/she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty."</i></p> <p>Why must shareholders indemnify the Company regarding the consent they give for the use of their personal data?</p> <p>Response:</p> <p>The Chairman noted the concern raised and will ensure compliance with relevant laws and regulations.</p> |
| 2. | <p>The shareholder raised a concern during point of order number two about the procedures followed at AGMs. It was noted that audited financial reports are typically presented first, and members should be able to raise questions at that time. However, some chairmen prevent members from discussing these issues later when ordinary resolutions are considered.</p> <p>The shareholder requested a clear ruling to confirm that questions not raised during the financial report presentation can still be addressed during the relevant resolution discussions.</p> <p>Response:</p> <p>Dato' Chairman took note of the request and will allow the shareholders to ask questions during other resolutions discussions.</p> |

| No. | Comment and/or Questions from the Shareholder and/or Proxy and the Response from the Chairman and Management |
|--|--|
| 3. | <p>The Company should not impose a limit of two (2) questions per shareholder to ensure that the poll voting begins promptly at 12:20 p.m.</p> <p>Response:</p> <p>The Managing Director/Group Chief Executive Officer (“MD/GCEO”) responded that each shareholder may ask two (2) questions at a time, thereby ensuring that other shareholders also have the opportunity to participate. Should the same shareholder have additional questions later, they are allowed to ask again.</p> |
| <p><u>Mr Cheng Chang Chai (Shareholder) raised the following Questions 4 to 9</u></p> | |
| 4. | <p>Are there any Public Listed Companies (“PLCs”) in Malaysia that have made ex-gratia payments to their Non-Executive Directors similar to what is proposed in Ordinary Resolution 5?</p> <p>Response:</p> <p>The Company Secretary responded that the other PLCs that had granted ex-gratia payments to their NEDs were Bonia Corporation Berhad and KPJ Healthcare Berhad.</p> |
| 5. | <p>What were the criteria or methodology used to determine the amount of the proposed ex-gratia payment to the Company’s NEDs, and what contributions have the NEDs made to qualify for the ex-gratia?</p> <p>Response:</p> <p>The MD/GCEO responded that the proposed ex-gratia payment was not considered solely in connection with the divestment of KaiserCorp Corporation Sdn Bhd (“KaiserCorp”), but also as recognition of the Board’s contributions and strategic leadership in driving the Company’s value creation initiatives over the past 10 years, in alignment with shareholders’ interests.</p> <p>In 2016, under a visionary Business Transformation Plan (“BTP”), the Board repositioned the Group from a utilities-focused entity into a high-growth manufacturing and global investment platform. That same year, KPS Berhad acquired a 60% stake in KaiserCorp Corporation Sdn Bhd (“KaiserCorp”), owner of the iconic King Koil mattress brand, marking its entry into international brand licensing.</p> <p>The Board steered broader Group expansion: manufacturing now accounts for 85% of total revenue, lifting top-line from RM144 million in 2016 to RM1.3 billion by 2021, with overseas customers making up circa 64% of revenue, collectively enhancing the Group’s investment appeal, marketability and KPS Berhad’s brand.</p> <p>Together, these decisions reflect the Board’s disciplined investment governance, high corporate standards, and adaptive strategy, catalysing KPS Berhad’s metamorphosis into a diversified, earnings-driven investment holding company with robust global presence and sustainable growth prospects.</p> |

| No. | Comment and/or Questions from the Shareholder and/or Proxy and the Response from the Chairman and Management |
|-----|---|
| | <p>This payment was not made solely in relation to the successful disposal of KaiserCorp. Rather, it serves as recognition of the board's sustained contributions to the company's long-term value creation since 2016, when KPS Berhad initiated its business transformation. Over the years, the board has provided active and hands-on oversight through several critical phases of strategic change, growing KPS Berhad's asset base from RM1.4 billion to RM2.1 billion prior to the disposal, and enabling the Company to distribute approximately RM380 million in cumulative dividends to shareholders. While the KaiserCorp disposal was a significant milestone, it represents only one of many value-creating outcomes resulting from the Board's years of sound governance, strategic guidance, and risk management.</p> <p>In response to MSWG's query, the MD/GCEO clarified that the ex-gratia payment was not calculated on a mathematical formula. Instead, it was based on the principle of aligning interests to ensure that all stakeholders, including Management and the Board, share in the economic benefits alongside shareholders.</p> <p>The MD/GCEO emphasised that while sharing need not be equal, it must be equitable and fair. Since 2016, the Company's revenue has grown from RM144 million to RM1 billion, it has paid RM380 million in dividends over the last 10 years, and it has completed multiple acquisitions totalling RM1.0 billion, all achieved without additional capital injections from shareholders. Although the Management played a significant role, the Board's stewardship and guidance over the past 10 years have been equally vital. Therefore, the ex-gratia payment is considered fair recognition of their contributions.</p> |
| 6. | <p>When the Company announced a special dividend of 4.5 sen from the proceeds of KaiserCorp's disposal, was Management at that time considering providing ex gratia payments to the Directors?</p> <p>Response:</p> <p>The MD/GCEO responded that, at that time, Management did not consider providing ex gratia payments to the Directors.</p> |
| 7. | <p>Noting the explanation provided, Mr Cheng commented that the proposed ex-gratia payment at the 48th AGM may set an undesirable precedent, as similar payments could be proposed in the future in connection with profitable divestments. He therefore expressed the view that this would not be in the best interests of the Company. Accordingly, he urged the Board to withdraw Ordinary Resolution 5 ("OR 5") and called on minority shareholders to vote against it.</p> <p>He further stated that he would prefer the RM1.0 million to be utilised for the betterment of KPS Berhad or to reward the staff in recognition of their hard work and contributions to the Company's growth.</p> |

| No. | Comment and/or Questions from the Shareholder and/or Proxy and the Response from the Chairman and Management |
|-----|--|
| 8. | <p>Would the Company consider granting a further ex-gratia payment if it exercises the option to acquire the remaining 10% equity interest in Kaisercorp after the two-year period?</p> <p>Response:</p> <p>The MD/GCEO reiterated that, in addition to the justifications provided in response to MSWG's Pre-AGM Question on the ex-gratia, the proposed ex-gratia payment also recognises the value created over the past 10 years by the Company, Management, the Board, and staff, in alignment with shareholders' interests.</p> |
| 9. | <p>In response to the explanation provided, Mr Cheng noted that Ordinary Resolution 5 ("OR 5") did not state that the proposed ex-gratia payment was in recognition of the Board's contributions to value creation over the past 10 years, but appeared instead to relate specifically to the disposal of Kaisercorp.</p> <p>He further noted that certain directors proposed to receive the ex-gratia payment had served on the Board for only two (2) years, and that none had served for ten (10) years, and questioned how this aligned with the 10-year value creation period referred to by the MD/GCEO. On that basis, he expressed the view that OR 5 was not consistent with good corporate governance practice.</p> <p>Response:</p> <p>The MD/GCEO noted Mr Cheng's comments and stated that Management was of the view that the proposed ex-gratia payment had been duly considered in accordance with the Company's internal governance processes. Management respected the differing views expressed, and shareholders may exercise their voting rights in respect of OR 5.</p> |
| 10. | <p><u>Comments from Mr Cheng Chang Chai (Shareholder), Mr Lim Pin Yeong (Shareholder) and Dr. Ismet bin Yusoff (Proxy)</u></p> <p>The Board was asked to withdraw Ordinary Resolution 5 regarding the payment of ex-gratia to eligible NEDs, as alternative methods were available to compensate the NEDs appropriately.</p> <p>Response:</p> <p>The Chairman, representing the majority shareholder, decided to proceed with tabling of the above resolution as proper notice had been given to the shareholders in accordance with Section 316 of the Companies Act 2016. Hence, the shareholders may exercise their right to vote against the resolution during the voting process.</p> |

| No. | Comment and/or Questions from the Shareholder and/or Proxy and the Response from the Chairman and Management |
|-----|---|
| 11. | <p><u>Dr. Ismet bin Yusoff (Proxy) raised the following Questions No. 11 to 13:</u></p> <p>It was suggested that the majority shareholder of KPS Berhad, Darul Ehsan Investment Group, abstain from voting on Ordinary Resolution 5 and that only minority shareholders vote, in accordance with Guidance 7.2 of the MCGG.</p> <p>Response:</p> <p>The Chairman, representing the majority shareholders, decided that the majority shareholders would participate in the voting of the proposed ex-gratia payment to eligible NEDs for shareholders' approval.</p> |
| 12. | <p>The Company reported a net profit of RM75.4 million in 2024, primarily due to the disposal of KaiserCorp. Does the Company have a long-term strategy in place to improve its financial performance and navigate current global challenges?</p> <p>Response:</p> <p>The MD/GCEO clarified that KPS Berhad is principally an investment holding company, with its core investments concentrated in operating subsidiaries primarily within the manufacturing sector.</p> <p>He further explained that the Company's investment strategy is focused on acquiring majority stakes in businesses with strong cash flow generation and the capacity to deliver accelerated returns, with a view to maximising shareholder value and ensuring sustainable dividend income to the Company.</p> <p>In this regard, KPS Berhad continues to explore investment opportunities in larger manufacturing companies that are capable of meeting the Company's long-term return expectations, particularly in terms of consistent dividend contributions, while also enabling the Company to secure controlling interests.</p> <p>The MD/GCEO further noted that periodic disposals form part of the Company's asset recycling strategy to support growth through new acquisitions, with borrowings utilised where necessary due to capital constraints.</p> |
| 13. | <p><u>Question from Dr. Ismet bin Yusoff (Proxy) and Encik Rien bin Hashim (Proxy)</u></p> <p>i) What was the status of the RM7.9 million penalty imposed by the Inland Revenue Board ("IRB") concerning the Capital Gains Tax ("CGT") dated 29 November 2024 in relation to the divestment proceeds of KaiserCorp? Has the Company not been advised by the Tax Agent on the CGT?</p> <p>Response:</p> <p>The DCEOFCs responded that the Company, via its wholly owned subsidiary company namely, Bold Approach Sdn Bhd ("BASB") had made an appeal to the IRB on 17 December 2024 to cancel the CGT assessment and penalty raised by the IRB since the disposal of KaiserCorp shares by BASB was made on 9 January 2024</p> |

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| | <p>exempted under the exemption period of 1 January 2024 to 29 February 2024 of the Income Tax (Exemption) (No. 7) Order 2023, based on the advised given by the Company's tax agent namely, Messrs KPMG.</p> <p>No CGT return was filed on Kaiserkorp's disposal, as it was deemed to occur on the date of the Share Sale Agreement, 9 January 2024, within the exemption period. IRB issued the assessment based on the Stamp Duty Certificate dated 8 April 2024 and assumed that the disposal was completed on 20 March 2024, in accordance with the date of the Share Transfer Form.</p> <p>The Company appointed Messrs Deloitte Tax Services as tax advisor and Messrs Rosli Dahlan Saravana Partnership as legal counsel to appeal the CGT assessment on behalf of BASB. On 10 January 2025, IRB had accepted the appeal submitted by BASB on 17 December 2024 and issued the Reduce Assessment Notice (Bil No. 3724088308603001) dated 10 January 2025 to cancel the amount raised in said CGT Assessment of RM7,886,448.21 The same has been announced in Bursa Securities on the same day. Hence, the CGT issue is considered resolved.</p> |
| | <p>ii) Could the Company provide the latest update on the writ of summons and statement of claim filed at the Shah Alam High Court by the Plaintiffs against Menteri Besar Selangor, Kerajaan Negeri Selangor, KPS Berhad, and Pentadbir Tanah Daerah Kuala Langat (Defendants)? Additionally, are there any potential implications or risks of loss to the company should the claims succeed? Response:</p> <p>The DCEOFCs explained that the Company is currently awaiting the High Court's decision on the striking-out application related to the case filed by the Selangor State Government, with the hearing scheduled for 6 August 2025. At this stage, no potential liability has been recognised in the Company's financial statements regarding this matter. The Company remains confident in the strength of its position to contest the case.</p> |
| | <p>iii) The Company should not restrict shareholders or proxies from raising only two (2) questions during future AGMs. Response:</p> <p>The MD/GCEO noted the comment and clarified that the limit of two (2) questions per shareholder or proxy was merely a suggestion to ensure a fair opportunity for as many shareholders or proxies as possible to raise their questions during the AGM, rather than allowing a single shareholder to dominate the discussion.</p> <p>Notwithstanding the above, the Board and Management are excited to answer as many questions raised by the shareholders.</p> |

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| Mr Cheng Chang Chai (Shareholder) raised the following Questions 14 to 33: | |
| 14. | <p>Regarding the Company's announcement to Bursa Securities dated 8 April 2025 on the issuance of 100 units of Redeemable Preference Shares ("RPS") to the Chief Executive Officer ("CEO") of Toyoplas Manufacturing (Malaysia) Sdn Bhd ("TMM") under the Long-Term Incentive Plan, what will be the financial impact to KPS Berhad upon the redemption of the RPS by the CEO? Is this a policy by the Company to reward its Head of Subsidiary ("HOS") in the future?</p> <p>Response</p> <p>The Deputy Chief Executive Officer, Strategy & Investments ("DCEOSI") clarified that the value of the RPS issued to TMM's CEO is RM100. The RPS is non-convertible to TMM's ordinary shares and shall be redeemed at the sole discretion of TMM.</p> <p>The CEO of TMM is entitled for a coupon payment in the form of a dividend upon achieving specific targets set by the Board for specific years.</p> |
| 15. | <p>Does the Company have an established policy governing the grant of ex-gratia payments going forward?</p> <p>Response:</p> <p>The MD/GCEO responded that the Company does not have a policy on ex gratia payments.</p> |
| 16. | <p>Are there any plans to list any of the operating subsidiaries on Bursa Malaysia Securities Berhad ("Bursa Securities")?</p> <p>Response</p> <p>The MD/GCEO replied that the Company was committed to maximising the value of its subsidiary companies. Currently, there were no plans to list any of its subsidiaries on Bursa Securities.</p> |
| 17. | <p>What is the extent of the loss the Company has incurred from its investment in Smartpipe Technology Sdn Bhd ("SPT")?</p> <p>Response:</p> <p>The Deputy Chief Executive Officer, Finance & Corporate Services ("DCEOFCS") clarified that SPT has completed its last project in collaboration with Air Selangor and has not undertaken any new projects since. In view of the company no longer being active and in line with prudent governance, the Board has decided to proceed with a voluntary winding up. Aside from minimal administrative costs related to the liquidation process, estimated between RM15,000 to RM20,000, there have been no significant ongoing financial exposures to the Group.</p> |

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| 18. | <p>The previous owners (“Vendors”) of MDS Advance Sdn Bhd (“MDS”) did not meet the Profit Guarantee (“PG”), resulting in a shortfall of RM4.95 million. Did the Company pay a premium for the acquisition, and was comprehensive due diligence properly conducted prior to the acquisition?</p> <p>Response:</p> <p>The DCEOSI clarified that the acquisition of MDS was based on a valuation that was benchmarked against comparable companies in the market and was positioned at the lower end of the valuation range, reflecting a prudent and well-considered investment decision by the Company.</p> <p>Comprehensive due diligence was conducted prior to the acquisition by independent external legal and financial advisors, covering operational, financial, and non-financial aspects of MDS.</p> <p>The PG was structured over two consecutive years, and MDS successfully met the PG in the first year. The shortfall occurred in the second year due to challenging global market conditions.</p> |
| 19. | <p>Has KPS Berhad initiated any clawback actions to recover interest from the retained profits of the escrow account held for stakeholders of MDS due to the non-fulfilment of the PG?</p> <p>Response:</p> <p>The DCEOSI clarified that the PG structure was part of a broader commercial negotiation during the acquisition of MDS and was designed primarily to secure leadership continuity and drive post-acquisition performance, particularly the retention of the MDS CEO.</p> <p>The handling of the escrow account, including the return of interest accrued over the two-year period, was governed strictly by the terms and conditions stipulated in the Share Sale Agreement (“SSA”). The decision not to claw back the interest was not discretionary or a matter of leniency, but a contractual outcome agreed by both parties as part of what was considered a fair and balanced deal at the time of acquisition.</p> <p>While the Vendors did not meet the PG in the second year due to market uncertainties affecting key customers, there was no misrepresentation of performance. To protect shareholder value, KPS Berhad offset the shortfall amount accordingly and managed the outcome in full compliance with the SSA.</p> |
| 20. | <p>How would the introduction of the new tariffs by the United States impact the operating subsidiaries of KPS Berhad?</p> <p>Response:</p> <p>The MD/GCEO responded that the impact of the new tariffs on KPS Berhad Group remains uncertain. In principle, the imposition of any new tariffs, regardless of the rate,</p> |

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| | is expected to affect all parties by potentially reducing sales and increasing operating costs. |
| 21. | <p>In comparison to SKP Resources Berhad (“SKP Resources”) and V.S. Industry Berhad (“V.S. Industry”), where does KPS Berhad currently stand in terms of its progress and positioning within its ongoing five-year business transformation plan?</p> <p>Response:</p> <p>The MD/GCEO responded that the KPS Berhad’s risk profile markedly differs from that of SKP Resources and V.S. Industry, making direct comparisons less fitting. In contrast to SKP Resources and V.S. Industry, which operate as first-tier manufacturers, KPS Berhad primarily functions as a second-tier manufacturer, a distinction often misunderstood.</p> <p>KPS Berhad strategically occupies a second-tier position to prioritise shareholder interests. First-tier investments typically involve higher risks and capital costs associated with serving a single customer, which could constrain the Company’s ability to pay dividends.</p> <p>In contrast, KPS Berhad’s approach as a second-tier manufacturer entails serving a diversified customer base of approximately 90 clients across its subsidiaries. This strategy demonstrated resilience during the COVID-19 pandemic, as the Company was able to pivot production using the same machinery with different moulds to cater to various customers, thereby sustaining dividend payments and business growth.</p> <p>As an investment holding company, KPS Berhad incurs additional costs at the corporate level, which impacts its overall return on equity (“ROE”), return on investment (“ROI”), and financial structure. Consequently, the margins, ROE, and ROI at the operating subsidiary level are significantly stronger compared to the consolidated figures at the holding company level.</p> <p>Therefore, it is not suitable to compare KPS Berhad directly with SKP Resources and V.S. Industry due to these fundamental structural differences. KPS Berhad remains on track with its business plans across its operating subsidiaries.</p> |
| 22. | <p>Where does the Company go after the 5-Year Business Transformation Plan? Is there any organic growth in the Company’s plan?</p> <p>Response:</p> <p>The MD/GCEO responded that when the Company disposes of its subsidiary, it will certainly seek a larger replacement through an asset recycling strategy. Over the next five years, the Company aims to pursue significantly larger investments to support sustainable growth.</p> |

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| 23. | <p>When does the Company plan to appoint its Data Protection Officer (“DPO”), which will take effect on 1 June 2025?</p> <p>Response:</p> <p>The DCEOFCs responded that based on confirmation from personnel at the Jabatan Perlindungan Data Peribadi, KPS Berhad was not required or mandated to appoint a qualified DPO, as KPS Berhad does not fall within the criteria required under the Personal Data Protection Act. Nevertheless, the Company recognises the importance of data protection and has assigned responsibilities related to this matter to the Legal and Compliance as well as the Information Technology Departments of KPS Berhad.</p> |
| 24. | <p>Is KPS Berhad’s Data Protection Policy available to the public on the Company’s website?</p> <p>Response:</p> <p>The DCEOFCs responded that yes, the Data Protection Policy was published on the Company’s website and was accessible for public viewing.</p> |
| 25. | <p>It has been noted that the Company’s annual dividend payment decreased from 4 sen in 2023 to 3 sen in 2024, excluding Special Dividend payments. Therefore, when is the company expected to pay the same dividend rate?</p> <p>The Company was requested to expedite payment of the dividend to the shareholders in less than three (3) weeks instead of one (1) month from the AGM.</p> <p>Response:</p> <p>The MD/DCEO responded that the provision of a 3 sen dividend for the financial year ended 2024 was primarily intended to allocate more available cash for future investments to replace KaiserCorp. This also considers that the Company paid a special dividend to shareholders in 2024 following the divestment of KaiserCorp. It is anticipated that the annual dividend will return to 4 sen in the following year.</p> <p>The Company is making every effort to pay dividends to its shareholders within one (1) month following consultation with the Company’s Share Registrar, since some shareholders would be paid via cheque. Management acknowledged the suggestion and was committed to reviewing the practices of other PLCs with the objective of expediting dividend payments to shareholders within two weeks after the AGM.</p> |

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| 26. | <p>Has the Company considered alternative methods of rewarding shareholders, such as share buybacks or dividends in specie, rather than cash dividends, particularly in light of the proposed tax on dividend income exceeding RM100,000?</p> <p>Response:</p> <p>The MD/GCEO replied that currently, the Company has no plans to offer shareholder rewards beyond dividends. However, Management has duly noted the shareholders' suggestion regarding this matter.</p> |
| 27. | <p>Both Dato' Noorazman bin Abd Aziz and Encik Ahmad Fariz bin Hassan, who are standing for re-election at the 48th AGM, were requested to provide a summary of the significant contributions made to the Company to justify their re-election.</p> <p>Response:</p> <p>Dato' Noorazman bin Abd Aziz informed the meeting that he is the Chairman of the Board Investment Review Committee ("BIRC") of KPS Berhad, which oversees the Company's ongoing efforts to identify acquisition and divestment opportunities. As the holding company, KPS Berhad strategically acquires, develops, and creates value in its portfolio companies before divesting at the optimal time.</p> <p>The BIRC is responsible for reviewing proposals in accordance with its Terms of Reference to ensure alignment with the Company's strategic objectives.</p> |
| 28. | <p>What other sectors does KPS Berhad intend to invest in, and what are the estimated costs and funding requirements for these new investments?</p> <p>Response:</p> <p>The MD/GCEO explained that the growth initiatives had to be aligned with shareholders' expectations to ensure strategic coherence. Several high-potential sectors, such as renewable energy, financial technology, agricultural technology (agrotech) business, and food security, presented promising opportunities.</p> <p>However, these sectors did not inherently guarantee the cash flow necessary to sustain dividend payments to shareholders. At present, the Company held approximately RM140 million in working capital and RM300 million in cash, which provided adequate financial capacity to pursue future acquisitions, contingent upon these investments fulfilling the Company's investment criteria and commitments to its shareholders.</p> |

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| 29. | <p>Are there any public equity funds invested in the Company? Are there any projects from the Selangor State for the Company?</p> <p>Response:</p> <p>The MD/GCEO responded that the Company has engaged with a private equity fund regarding potential investments in the Company. However, certain issues related to the capital structure must be addressed, as the preferred approach is for these investors to participate at the operating level, which is seen as a more reasonable option.</p> <p>The Selangor State Government operates under its own procurement policies and tender processes. Historically, KPS Berhad was frequently invited to participate in tenders when SPT and KPS-HCM Sdn Bhd were active subsidiaries of the Company. For instance, SPT, owing to its relatively smaller size compared to larger competitors, encountered challenges in securing projects and did not receive preferential treatment.</p> <p>Despite these challenges, KPS Berhad, through its subsidiary, Aqua-Flo Sdn Bhd ("Aqua-Flo"), has successfully secured and completed several contracts for the supply of water chemicals and water meters, which have contributed to the growth of its business. Additionally, the Company remains committed to operating independently in its business activities.</p> |
| 30. | <p>How does the Company anticipate the impact of Artificial Intelligence ("AI") on its business operations, and what are the estimated costs associated with implementing AI initiatives?</p> <p>Response:</p> <p>The MD/GCEO explained that the Company has embarked on its AI journey within its manufacturing operations, particularly focusing on processing, which also functions as a talent development programme plan at both the KPS and subsidiary levels in collaboration with Human Resource Development and Information Technology Departments.</p> <p>Moreover, the Company has partnered with a renowned information technology ("IT") firm to develop the world's first AI software prototype, a project fully funded by the IT strategic partner.</p> |
| 31. | <p>Has Messrs. BDO PLT ("BDO") fulfilled their responsibilities as auditors of the Company in accordance with Section 320 of the Capital Markets Services Act 2007 ("CMSA"), and have they identified any breaches that might materially impact the Company's financial position?</p> <p>Response:</p> <p>The representative from BDO confirmed that they did not identify any breaches relating to the provision under the said CMSA.</p> |

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| 32. | <p>EY was requested to confirm that, upon their appointment, any discrepancies identified in the Company's financial statements, including related party transactions below the reporting threshold, would be reported in accordance with Section 320 of the CMSA.</p> <p>Response:</p> <p>The representative from EY confirmed that, upon their appointment, any such discrepancies identified would be reported in accordance with Section 320 of the CMSA.</p> |
| 33. | <p>Are shareholders allowed to access the minutes of the AGM?</p> <p>Response:</p> <p>The Company Secretary responded that yes, shareholders are entitled to access the AGM minutes. The minutes was made available on the Company's website within 30 business days from the date of the AGM, in accordance with best corporate governance practice outlined in the Malaysian Code on Corporate Governance ("MCCG") issued by the Securities Commission Malaysia.</p> |
| <p>Mr Shak Kum Choy (Shareholder) raised the following Questions 34 to 37:</p> | |
| 34. | <p>The shareholder praised the quality of KPS Berhad's 2024 IAR and 2024 Sustainability Report, which serve as comprehensive guides for the shareholders.</p> <p>Response:</p> <p>The MD/GCEO expressed his gratitude to the shareholder for their positive feedback and acknowledgement.</p> |
| 35. | <p>The shareholder praised the Company for successfully disposing of KaiserCorp to a foreign entity, acknowledging this as a notable accomplishment given the prevailing market condition. Accordingly, the Directors' decision to approve ex-gratia payments to eligible NEDs is considered well justified.</p> <p>Response:</p> <p>The MD/GCEO expressed his gratitude to the shareholder for the positive feedback and acknowledged their support for the Company's initiatives.</p> |

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| 36. | <p>What is the estimated funding requirement for the Company's upcoming new investment?</p> <p>Response:</p> <p>The MD/GCEO responded that the KPS Berhad's future growth depended on the capital available, which had primarily been sourced through borrowings. The Company had set a short-term goal to achieve RM2.0 billion in revenue over the next three (3) years.</p> <p>To support this goal, an estimated capital of RM500 million is required for strategic acquisitions that are expected to contribute significantly to the Group's profitability. A strategic plan to achieve the targets is currently in development. Various funding options were considered to support the growth including issuing additional shares. However, the MD/GCEO noted that issuing additional shares could dilute the equity of existing shareholders and without a strong and consistent cash flow, it would be challenging for the Company to maintain or increase the current level of dividend payments to shareholders.</p> |
| 37. | <p>Has KPS Berhad received an invitation from the Selangor State Government to take part in the Silicon Project, also known as Silicon Valley, in Shah Alam?</p> <p>Response:</p> <p>The MD/GCEO explained that the Company was invited to participate in the Silicone Project; however, as previously explained, the Company did not pursue projects that did not meet the investment criteria set by the Board. Among the criteria was that the potential investee company must have had a healthy cash flow for KPS Berhad to distribute dividends in the first year of its investment to fulfil its annual dividend obligations to KPS Berhad shareholders.</p> |
| <p>Mr Lim Pin Yeong (Shareholder) raised the following Questions 38 to 40:</p> | |
| 38. | <p>When is the new Chairman of KPS Berhad expected to be appointed?</p> <p>Response:</p> <p>The MD/GCEO explained to the shareholders that the Company is currently awaiting a nomination from the major shareholder for the appointment of the new Chairman of the Board of KPS Berhad.</p> |
| 39. | <p>Could the Company clarify the rationale for indemnifying its auditors and directors as disclosed on Page 12 of the AFS2024 - Indemnity and Insurance for Directors, Officers and Auditors?</p> <p>Response:</p> <p>The DCEOFCs clarified that the first paragraph of the referenced section states that the Group and the Company have implemented Directors' and Officers' liability insurance</p> |

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| | <p>during the financial year to protect the Directors and officers against potential costs and liabilities arising from claims made against them. However, the third paragraph clarifies that no indemnity was provided, nor insurance secured, for the auditors of the Group and the Company during the same period.</p> <p>Despite that, the Management acknowledged the shareholders' suggestion and would work with the new auditors on the relevant disclosure for the Audited Financial Statements for 2025, accordingly.</p> |
| 40. | <p>What is the rationale behind the Company providing performance guarantees to third parties, as referenced on page 136 of the AFS2024?</p> <p>Response:</p> <p>The DCEOFCs clarified that the performance guarantees relate to trade and contract obligations with financial institutions for credit facilities granted. Specifically, the guarantee, such as the performance contract provided to Aqua-Flo, serves as a performance bond to secure the project contract.</p> |
| <p>Encik Rien bin Hashim (Shareholder) raised the following Questions 41 to 46:</p> | |
| 41. | <p>With reference to page 36 of the AFS2024 - Cash Flow from Operations, it was noted that the Company's cash flow decreased from RM168.7 million to RM9.0 million. Therefore, is the Company's cash flow sufficient to support the annual dividend payment of 4 sen to shareholders moving forward?</p> <p>Response:</p> <p>The MD/GCEO explained to the shareholders that the Company had incorporated an annual dividend payment of 4 sen into its business plans for the coming years. Based on the 2024 audited financial statements, the Company reported a cash balance of RM385.6 million. The MD/GCEO expressed strong confidence in the Company's financial position and its ability to sustain the annual dividend payout of 4 sen per share.</p> |
| 42. | <p>What were the estimated costs incurred by the Company for conducting the physical and virtual AGMs, and why was a hybrid AGM not opted for by the Company?</p> <p>Response:</p> <p>The Company Secretary explained that the estimated cost for conducting a physical AGM was approximately RM150,000, while the virtual AGM in 2024 cost around RM50,000. A hybrid AGM was not conducted due to the significantly higher estimated cost of approximately RM200,000.</p> |

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| 43. | <p>What is the reasoning for producing a reduced quantity of the 2024 Integrated Annual Report (“2024IAR”) compared to previous years?</p> <p>Response:</p> <p>The MD/GCEO responded that the quantity of the 2024 IAR was moderately reduced this year due to the Company’s assessment of lower anticipated demand based on historical distribution data. Additionally, this decision aligns with the Company’s commitment to sustainability initiatives aimed at minimising the carbon footprint associated with printing.</p> |
| 44. | <p>The shareholder recommended that KPS Berhad consider exploring potential business opportunities in infrastructure development within Selangor, such as increasing the number of bus stops in Shah Alam and enhancing surau facilities at LRT stations, as well as investigating ventures in bitcoin mining and renewable energy.</p> <p>Response:</p> <p>The MD/GCEO reiterated that as explained earlier, the Company prioritised projects that delivered immediate returns to maximise shareholders’ value.</p> |
| 45. | <p>Given the Company’s challenging financial commitments, is the payment of ex-gratia to the NEDs justifiable, considering they are not involved in the day-to-day management of the Company?</p> <p>Response:</p> <p>The MD/GCEO clarified that the Company has been operating without requesting additional capital from the shareholders and has managed to sustain growth, increasing its value tenfold while repaying all borrowings. During this period, the Company has distributed a total dividend of RM380 million since FY2016 and has retained sufficient cash for future expansion.</p> <p>While Management played a key role in execution, it was also appropriate to recognise and reward the NEDs for their valuable contributions, experience, and strategic guidance. Although the NEDs were not involved in daily operations, their exchange of ideas, opinions, and strategic direction had been essential to the Company’s success.</p> |
| 46. | <p>How many proxy votes were cast on the resolutions by shareholders who appointed the Chairman of the Meeting as their proxy?</p> <p>Response:</p> <p>The Company Secretary shared the summary of the votes cast by the Chairman as proxy, as shown below:</p> |

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| | <p data-bbox="331 331 421 353"><u>SUMMARY</u></p> <table data-bbox="517 367 1222 528"><tbody><tr><td data-bbox="743 367 916 389">TOTAL NO. OF FORMS :</td><td data-bbox="1166 367 1187 389">10</td></tr><tr><td data-bbox="600 403 916 425">TOTAL NO. OF PROXIES (BY HEADCOUNT) :</td><td data-bbox="1174 403 1182 425">1</td></tr><tr><td data-bbox="584 439 916 461">TOTAL NO. OF PROXIES (BY APPOINTMENT) :</td><td data-bbox="1166 439 1187 461">10</td></tr><tr><td data-bbox="711 474 916 497">TOTAL APPOINTED SHARE :</td><td data-bbox="1091 474 1187 497">321,184,519</td></tr><tr><td data-bbox="517 510 916 533">TOTAL PERCENTAGE AGAINST TOTAL ISSUED SHARES :</td><td data-bbox="1142 510 1222 533">59.77 %</td></tr></tbody></table> | TOTAL NO. OF FORMS : | 10 | TOTAL NO. OF PROXIES (BY HEADCOUNT) : | 1 | TOTAL NO. OF PROXIES (BY APPOINTMENT) : | 10 | TOTAL APPOINTED SHARE : | 321,184,519 | TOTAL PERCENTAGE AGAINST TOTAL ISSUED SHARES : | 59.77 % |
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