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If you are in any doubt as to the course of action to take, you should consult your stockbroker, solicitor, accountant, banker or other professional adviser immediately.

Bursa Malaysia Securities Berhad ("**Bursa Securities**") has not perused the contents of this Circular prior to its issuance as it is an exempt Circular pursuant to Paragraph 2.1(gA) of Practice Note 18 of the Main Market Listing Requirements of Bursa Securities.

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KUMPULAN PERANGSANG SELANGOR BERHAD

(Registration No. 197501002218/23737-K) (Incorporated in Malaysia)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO THE

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

The resolution in respect of the above proposal will be tabled at the Forty-Nine (**49th**) Annual General Meeting ("**AGM**") of the Company, which will be held at the Ballroom 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, on Tuesday, 19 May 2026 at 10.00 a.m. The Notice of the 49th AGM of the Company together with the Proxy Form is enclosed with the Company's 2025 Integrated Annual Report ("**2025IAR**"), which is available at <http://kps.com.my/index.php/investor-relations/reports>.

The Proxy Form must be lodged at the Company's share registrar, Boardroom Share Registrars Sdn Bhd ("**Boardroom**"), at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia. Alternatively, you may submit the electronic Proxy Form via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com> not later than 48 hours before the time set for holding the meeting. Please refer to the Administrative Guide for Shareholders of the 49th AGM for the steps to submit the electronic Proxy Form.

Last date and time for lodging the Proxy Form : Sunday, 17 May 2026 at 10.00 a.m.

Date and time of AGM : Tuesday, 19 May 2026 at 10.00 a.m.

This Circular is dated 20 April 2026

DEFINITIONS

Except where the context otherwise requires, the following definitions shall apply throughout this Circular:

“Act”	: Companies Act 2016, as may be amended from time to time and any re-enactment thereof
“AGM”	: Annual General Meeting
“Air Selangor”	: Pengurusan Air Selangor Sdn Bhd, a wholly-owned subsidiary of ASHB
“ASHB”	: Air Selangor Holdings Berhad, a wholly-owned subsidiary of MBI
“Aqua-Flo”	: Aqua-Flo Sdn Bhd, a 51%-owned subsidiary of KPS Berhad
“BASB”	: Bold Approach Sdn Bhd, a wholly-owned subsidiary of KPS Berhad
“BAC”	: Board Audit Committee of KPS Berhad
“Board” or “Board of Directors”	: The Board of Directors of KPS Berhad
“Bursa Securities”	: Bursa Malaysia Securities Berhad
“Cash Band”	: Cash Band (M) Berhad, a wholly-owned subsidiary of KPS Berhad
“CBB”	: Century Bond Bhd, a wholly-owned subsidiary of PPSB
“Circular”	: Circular to Shareholders dated 20 April 2026 in relation to the Proposed Renewal of Shareholders’ Mandate
“DCEOFCS”	: Deputy Chief Executive Officer (Finance & Corporate Services)
“DEIG”	: Darul Ehsan Investment Group Berhad is the immediate holding company and a major shareholder of KPS Berhad, holding a 57.88% interest in the Company. It is a wholly-owned subsidiary of MBI
“Director(s)”	: Shall have the meaning given in Section 2(1) of the Capital Markets and Services Act 2007 and includes any person who is or was within the preceding 6 months of the date on which the terms of the transaction were agreed upon, a director or chief executive of KPS Berhad, its subsidiaries or its holding company
“EGM”	: Extraordinary General Meeting
“EXCO”	: Executive Committee
“HOS”	: Head of Subsidiaries
“IEC/TEC”	: Investment Evaluation Committee/Tender Evaluation Committee
“Interested Director(s)”	: Director(s) who are deemed to be Related Parties and are interested in the Proposed Renewal of Shareholders’ Mandate
“Interested Major Shareholders”	: Major Shareholders who are deemed to be Related Parties and are interested in the Proposed Renewal of Shareholders’ Mandate
“Interested Persons Connected”	: Refers to Persons Connected to the Directors and/or Major Shareholders of the Company
“KPS Berhad” or “the Company”	: Kumpulan Perangsang Selangor Berhad

DEFINITIONS
(Cont'd)

- “KPS Berhad Group” or “the Group” : KPS Berhad and its subsidiary companies
- “Listing Requirements” : Main Market Listing Requirements of Bursa Securities, including any amendments that may be made from time to time
- “LPD” : 31 March 2026, being the latest practicable date prior to the printing of the Circular
- “Major Shareholder(s)” : A person who has an interest or interests in one or more voting shares in a company and the number or aggregate number of those shares is:
- (a) 10% or more of the total number of all the voting shares in the company; or
 - (b) 5% or more of the total number of voting shares in the company where such person is the largest shareholder of the company.
- For the purpose of the Proposed Renewal of Shareholders’ Mandate, “interest” shall have the meaning of “interest in shares” given in Section 8 of the Act. It also includes any person who is or was within the preceding six (6) months of the date on which the terms of the transactions were agreed upon, a major shareholder of KPS Berhad or its holding company.
- “MBI” : Menteri Besar Selangor (Pemerbadanan), a holding company of DEIG and ASHB
- “MD/GCEO” : Managing Director/Group Chief Executive Officer
- “NBSB” : Nadi Biru Sdn Bhd, a wholly-owned subsidiary of KPS Berhad
- “Partner” : in relation to any person (referred to as “**said Person**”), means such person who falls within any one of the following categories:
- (a) a person with whom the said Person, is in or proposes to enter into partnership with. “Partnership” for this purpose refers to a “partnership” as defined in section 3 of the Partnership Act 1961 or “limited liability partnership” as defined in section 2 of the Limited Liability Partnerships Act 2012, as the case may be; or
 - (b) a person with whom the said Person has entered or proposes to enter into a joint venture, whether incorporated or not.
- “Person(s) Connected” : in relation to any person (referred to as “**said Person**”) means such person who falls under any one of the following categories:
- (a) a family member of the said Person;
 - (b) a trustee of a trust (other than a trustee for a share scheme for employees or pension scheme) under which the said Person, or a family member of the said Person, is the sole beneficiary;
 - (c) a Partner of the said Person;
 - (d) a person, or where the person is a body corporate, the body corporate or its directors, who is/are accustomed or under an obligation, whether formal or informal, to act in accordance with the directions, instructions or wishes of the said Person;
 - (e) a person, or where the person is a body corporate, the body corporate or its directors, in accordance with whose directions, instructions or wishes the said Person is accustomed or is under an obligation, whether formal or informal, to act;

DEFINITIONS
(Cont'd)

- (f) a body corporate in which the said Person, or persons connected with the said Person are entitled to exercise, or control the exercise of, not less than 20% of the votes attached to voting shares in the body corporate; or
- (g) a body corporate which is a related corporation of the said Person.
- “PKNS” : Perbadanan Kemajuan Negeri Selangor, a substantial shareholder of KPS Berhad and a Person Connected to DEIG
- “PPSB” : Perangsang Packaging Sdn Bhd, a wholly-owned subsidiary of KPS Berhad
- “Prismachem” : Prismachem Sdn Bhd, a Major Shareholder of Aqua-Flo
- “Proposed Renewal of Shareholders’ Mandate” or “Proposal” : Proposed renewal of the existing shareholders’ mandate for the RRPT of a revenue or trading nature entered/to be entered into by KPS Berhad Group from the date of the forthcoming 49th AGM to the next AGM of the Company
- “Related Party(ies)” : A Director, Major Shareholder or Person Connected with such Director or Major Shareholder as defined under Chapters 1 and 10 of the Listing Requirements
- “RM” and “sen” : Ringgit Malaysia and sen respectively
- “RRPT” : Related party transactions which are recurrent of a revenue or trading nature and which are necessary for the day-to-day operations and are entered/ to be entered into by KPS Berhad Group with the Related Parties in the ordinary course of business which involve the interest, direct or indirect, of Related Parties
- “SPT” : Smartpipe Technology Sdn Bhd, an indirect 64%-owned subsidiary of KPS Berhad via NBSB
- “TWNS” : Tabung Warisan Negeri Selangor, a shareholder of KPS Berhad and a Person Connected to DEIG
- “Taliworks” : Taliworks Corporation Berhad, a Major Shareholder of Aqua-Flo

All references to “our Company” in this Circular are to KPS Berhad. References to “our Group” are to our Company and our subsidiaries. References to “we”, “us”, “our” and “ourselves” are to our Company and where the context requires, shall include our subsidiaries.

All references to “you” in this Circular are to our shareholders.

Words denoting the singular shall, where applicable, include the plural and vice versa and words indicating the masculine gender shall, where applicable, include the feminine and/or neuter genders and vice versa. Reference to persons shall include a corporation unless otherwise specified.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any reference to a time of a day in this Circular shall be a reference to Malaysian time, unless otherwise stated.

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**LETTER TO THE SHAREHOLDERS OF
KUMPULAN PERANGSANG SELANGOR BERHAD**

Registered Office:
17th Floor, Plaza Perangsang
Persiaran Perbandaran
40000 Shah Alam
Selangor Darul Ehsan

20 April 2026

Board of Directors

YB Dato' Dr. Ahmad Fadzli bin Ahmad Tajuddin (*Non-Independent Non-Executive Chairman*)
YBhg Dato' Ts. Saipolyazan bin Mat Yusop (*Non-Independent Non-Executive Director*)
YBhg Dato' Ikmal Hijaz bin Hashim (*Senior Independent Non-Executive Director*)
Puan Norliza binti Kamaruddin (*Independent Non-Executive Director*)
YBhg Dato' Noorazman bin Abd Aziz (*Independent Non-Executive Director*)
Ms Sharmila Sekarajasekaran (*Independent Non-Executive Director*)
YBhg Datuk Syed Izuan bin Syed Kamarulbahrin (*Independent Non-Executive Director*)
Encik Ahmad Fariz bin Hassan (*Managing Director/Group Chief Executive Officer*)

To: The Shareholders of KPS Berhad

Dear Sir/Madam

PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

1. INTRODUCTION

On 31 March 2026, the Board announced that the Company intends to seek shareholders' approval for the Proposal at its forthcoming 49th AGM.

The purpose of this Circular is to provide you with relevant details of the Proposed Renewal of Shareholders' Mandate and to seek your approval for the ordinary resolution relating to it under the agenda of Special Business, as set out in the Notice of the 49th AGM of the Company. The 49th AGM will be held at the Ballroom 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan on Tuesday, 19 May 2026 at 10.00 a.m., as enclosed in the 2025IAR of the Company.

SHAREHOLDERS ARE ADVISED TO READ THE CONTENTS OF THIS CIRCULAR CAREFULLY BEFORE VOTING ON THE RESOLUTION TO GIVE EFFECT TO THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2. INFORMATION ON THE PROPOSED RENEWAL OF SHAREHOLDERS' MANDATE

2.1 Provisions under the Listing Requirements

Pursuant to Paragraph 10.09(2) and Practice Note 12 of the Listing Requirements, a listed issuer may seek a shareholders' mandate for RRPT subject to the following:

- (a) the transactions are in the ordinary course of business and are on terms not more favourable to the related party than those generally available to the public;
- (b) the shareholders' mandate is subject to annual renewal and disclosure is made in the 2025IAR of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year where the aggregate value is equal to or more than the threshold prescribed under Paragraph 10.09(1) of the Listing Requirements;
- (c) the listed issuer's circular to shareholders for the shareholders' mandate includes the information as may be prescribed by Bursa Securities;
- (d) in a meeting to obtain the shareholders' mandate, the Interested Directors, Interested Major Shareholders and where it involves the interest of an Interested Person Connected, such Director or Major Shareholder, must not vote on the resolution in respect of the RRPT. An Interested Director or Interested Major Shareholder must also ensure that Persons Connected with him abstain from voting on the resolution in respect of the RRPT; and
- (e) the listed issuer immediately announces to Bursa Securities when the actual value of a RRPT entered into by the listed issuer or its subsidiaries, exceeds the estimated value of the RRPT disclosed in the circular by 10% or more and must include the information as may be prescribed by Bursa Securities in its announcement.

Transactions entered into between a listed issuer (or any of its wholly-owned subsidiaries) and its wholly-owned subsidiary are excluded from complying with the requirements under Chapter 10 of the Listing Requirements.

Where a shareholders' mandate pursuant to Paragraph 10.09(2) of the Listing Requirements has been procured, the provisions of Paragraph 10.08 of the Listing Requirements will not apply.

The Proposed Renewal of Shareholders' Mandate, if approved by the shareholders at the 49th AGM, shall continue to be in force until:

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

whichever is earlier.

KPS Berhad is proposing to seek its shareholders' approval for the Proposed Renewal of Shareholders' Mandate pursuant to Paragraph 10.09 and Practice Note 12 of the Listing Requirements, to enable the Group to continue entering into the RRPT with the Related Parties.

2.2 Principal Activities of KPS Berhad

The principal activity of KPS Berhad is investment holding.

The details of KPS Berhad's subsidiary companies are set out in the table below:

Name of Company	Principal Activities	Proportion of Equity Interest (%)
Held by the Company		
BASB	Investment holding	100
Cash Band	Investment holding	100
NBSB	Investment holding	100
Perangsang Capital Sdn Bhd	Investment holding and to undertake the establishment of Islamic Medium-Term Notes Programme and all matters relating thereto	100
PPSB	Investment holding	100
Perangsang Dinamik Sdn Bhd	Investment holding	100
Perangsang Oil & Gas Sdn Bhd	Investment holding	100
Viable Chip (M) Sdn Bhd	Investment holding	100
Aqua-Flo	Trading in chemical products, water meters and laboratory monitoring equipment and disinfection system	51
Held by NBSB		
SPT	Contractors and subcontractors for the laying of pipes for all kinds of constructional, structural and civil engineering works	64
Held by PPSB		
CBB	Investment holding and provision of management services	100
Held by CBB		
Eversynergy Sdn Bhd	Property holding	100
Multiview Enterprises Sdn Bhd	Sales and marketing of industrial packaging tapes, materials and machinery and household care products	100
Prestige Packages Sdn Bhd	Manufacturing and sale of multi-wall paper bags, woven laminated bags and pulp moulded products and food process packaging; and manufacture, process and trade in all kinds of food and beverage products including but not limited to coffee and sugar and manufacturing of plastic bags, films and liner.	100

Name of Company	Principal Activities	Proportion of Equity Interest (%)
Polyplus Packages Sdn Bhd	Manufacturing and sales of corrugated carton boxes	100
Polyplus Packages (JB) Sdn Bhd	Manufacturing and sales of corrugated carton boxes	100
Pro Pulp Packages Sdn Bhd	Manufacturing and sales of pulp moulded products	100
Held by Prestige Packages Sdn Bhd		
Brandpak Industries Sdn Bhd	Manufacturing and marketing of stretch films, plastic bags and liners	100
Centoz Industries Sdn Bhd	Manufacturing and sales of paper products	80
Esteem Packaging Pte Ltd	Trading in paper and plastic packaging products	80
PT. Prestige Packages Indonesia	Manufacturing and sales of cement paper bags	100
Held by Multiview Enterprise Sdn Bhd		
Macro Chemicals Sdn Bhd	Contract manufacturing of adhesive and household care products	100
Multiview Packaging Sdn Bhd	Manufacturing, marketing and trading of stretch film, shrink film, plastic bags, liners, industrial packaging tapes, edge protector, paper core, garbage bags and plastic related products	100
Multiview (S) Pte Ltd	Sales and marketing of household care products and packaging materials	100
Held by Polyplus Packages (JB) Sdn Bhd		
Infinity Packaging Solution Sdn Bhd	Offset printing for corrugated carton boxes, pulp moulded products and packaging	51
Polyplus Packages (PG) Sdn Bhd	Manufacturing and sales of corrugated carton boxes and packaging	60
PT. Infinity Packaging Solutions	Processing of packaging and boxes from paper and cardboard	77
Taspak Industrial Sdn Bhd	Process and supply of instruction manual books, boxes and all other packing materials	97
Held by Perangsang Dinamik Sdn Bhd		
CPI (Penang) Sdn Bhd	Manufacturing, assembly and sale of electronic and electrical products and plastic moulded components and parts	100

Name of Company	Principal Activities	Proportion of Equity Interest (%)
Toyoplas Manufacturing (Malaysia) Sdn Bhd	Manufacturing, assembly and sale of plastic injection moulded components and tooling	100
MDS Advance Sdn Bhd	Manufacturer of machine parts	100
Held by CPI (Penang) Sdn Bhd		
PCM Manufacturing Sdn Bhd	Secondary processes including silk screening, spray printing and tempo printing	60
Held by Toyoplas Manufacturing (Malaysia) Sdn Bhd		
Toyoplas Manufacturing (HK) Co Ltd	Trading of plastic products, moulds and investment holding	100
PT Toyoplas Manufacturing (Indonesia)	Producing semi-conductor and other electronics components, electronic measurement instruments and test equipment, household electrical appliances, pump, faucets, valves, moving hand equipments and children's toys	99.92
Held by Toyoplas Manufacturing (HK) Co Ltd		
Toyoplas Holdings Pte Ltd	Investment holdings, traders and provision of tooling services	100
Held by Toyoplas Holdings Pte Ltd		
Toyoplas Manufacturing (Dongguan) Co Ltd	Production and sales of precision plastic moulds, precision plastic components for electrical appliances, electrical products and communication products, as well as provision of after-sales services	100
Toyoplas Manufacturing (Bac Giang) Co Ltd	Manufacturing and processing of plastic product or electrical equipment, electronics, household appliances, automobiles, telecommunications, and security cameras	100
PT Toyoplas Manufacturing (Indonesia)	Producing semi-conductor and other electronics components, electronic measurement instruments and test equipment, household electrical appliances, pump, faucets, valves, moving hand equipments and children's toys	0.08

Note:-

The above table does not include the subsidiaries of KPS Berhad which are/have been in liquidation, under receivership, under official assignee, disposed off, dormant and/or ceased operation as well as associates. For further details, please refer to notes 15 and 16 of the Company's Audited Financial Statements for the year ended 31 December 2025.

2.3 Information on Related Parties and Nature of Transactions

The classes and nature of transactions of the RRPT of KPS Berhad Group of which approval is being sought under the Proposed Renewal of Shareholders' Mandate are as follows:

No.	Company within KPS Berhad Group	Transacting Related Parties	Nature of Transactions	Estimated Value for the Proposed Renewal of Shareholders' Mandate (from this 49 th AGM to the next AGM) [#] (RM'000)	Estimated Value as disclosed in the Circular to Shareholders dated 11 July 2025 (RM'000)	Actual Value Transacted (from the date of last EGM held on 28 July 2025 to the LPD) [^] (RM'000)	Interested Related Parties	
							Name	Nature of Relationship
(a)	Aqua-Flo [®]	Air Selangor and/or any of its subsidiary, associated or affiliated companies ("Air Selangor Group")	Supply and delivery of chemical products, water meters, goods and services, laboratory monitoring equipment and disinfection system in Selangor and Federal Territories of Kuala Lumpur and Putrajaya by Aqua-Flo to Air Selangor Group ⁺	100,000	100,000	44,436	<p><i>Interested Major Shareholders</i></p> <ul style="list-style-type: none"> • MBI • DEIG <p><i>Interested Persons Connected</i></p> <ul style="list-style-type: none"> • ASHB • Air Selangor • PKNS • TWNS 	<p>DEIG is a major shareholder of KPS Berhad with a direct shareholding of 57.88%. MBI is a holding company of DEIG.</p> <p>ASHB is a wholly-owned subsidiary of MBI.</p> <p>Air Selangor is a wholly-owned subsidiary of ASHB.</p> <p>PKNS is a substantial shareholder of KPS Berhad with direct shareholding of 5.52% and a person connected to DEIG.</p> <p>TWNS is a shareholder of KPS Berhad with a direct shareholding of 1.732% and a person connected to DEIG.</p>

No.	Company within KPS Berhad Group	Transacting Related Parties	Nature of Transactions	Estimated Value for the Proposed Renewal of Shareholders' Mandate (from this 49 th AGM to the next AGM) [#] (RM'000)	Estimated Value as disclosed in the Circular to Shareholders dated 11 July 2025 (RM'000)	Actual Value transacted (from the date of last EGM held on 28 July 2025 to the LPD) [^] (RM'000)	Interested Related Parties	
							Name	Nature of Relationship
(b)	SPT*	Air Selangor Group	Laying of new pipes to replace existing pipes in Selangor and Federal Territories of Kuala Lumpur and Putrajaya by SPT to Air Selangor Group	0	1,500	0	(<i>continue</i>) <i>Interested Directors</i> Dato' Dr. Ahmad Fadzli bin Ahmad Tajuddin ("Dato' Dr. Ahmad Fadzli") Dato' Ts. Saipolyazan Mat Yusop ("Dato' Ts. Saipolyazan")	(<i>continue</i>) Dato' Dr. Ahmad Fadzli sits on the Boards of MBI, PKNS, Air Selangor and ASHB. He is the Non-Independent Non-Executive Chairman of KPS Berhad. Dato' Ts. Saipolyazan sits on the Board of MBI, DEIG and ASHB. He is the board representative of MBI in KPS Berhad. He is also the Group Chief Executive Officer of MBI and Non-Independent Non-Executive Director of KPS Berhad.

No.	Company within KPS Berhad Group	Transacting Related Parties	Nature of Transactions	Estimated Value for the Proposed Renewal of Shareholders' Mandate (from this 49 th AGM to the next AGM) [#] (RM'000)	Estimated Value as disclosed in the Circular to Shareholders dated 11 July 2025 (RM'000)	Actual Value transacted (from the date of last EGM held on 28 July 2025 to the LPD) [^] (RM'000)	Interested Related Parties	
							Name	Nature of Relationship
(c)	Aqua-Flo [®]	Taliworks and/or any of its subsidiary, associated or affiliated companies (" Taliworks Group ")	Sales of chemical products, laboratory & monitoring equipment and disinfection system by Aqua-Flo to Taliworks Group	20,000	20,000	13,394 ^{&}	<i>Interested Major Shareholder</i>	Taliworks is a Major Shareholder of Aqua-Flo with direct shareholding of 24%.

Notes:

- # The estimated value for the Proposed Renewal of Shareholders' Mandate is based on Management's best estimate on the assumption that the current operations will continue, and all external factors remain constant. The estimated value may differ from actual results and is subject to change.
- + On 28 February 2024, Aqua-Flo entered a new FA for a period of three (3) years commencing from 1 March 2024 to 28 February 2027 for the supply and delivery of water meters for new development, meter migration and replacement programmes.
- Further, Aqua-Flo has entered into four (4) separate FAs with Air Selangor for the supply and delivery of chemicals to water treatment plants, each for a period from 1 January 2026 to 31 December 2028, namely:
- Group B (pH Adjusters) and Group D (Polyelectrolytes), dated 6 November 2025; and
 - Group E (Auxiliary) and Group C (Disinfectants), dated 21 November 2025.
- @ Aqua-Flo is a 51%-owned subsidiary of KPS Berhad. The balance of 25% and 24% equity interests in Aqua-Flo is owned by Prismachem and Taliworks respectively. Neither Prismachem and Taliworks nor their directors and shareholders hold any shares in KPS Berhad.
- ^ The Actual Value transacted of the above transactions from the date on which the existing mandate was obtained (i.e. from the date of last EGM held on 28 July 2025) up to the LPD in respect of the Proposed Renewal of Shareholders' Mandate did not exceed the Estimated Value by 10% or more.
- * SPT is an indirect 64%-owned subsidiary of KPS Berhad. The balance 36% of the equity interest in SPT is owned by Smartpipe Holdings Sdn Bhd, an unrelated entity to KPS Berhad Group.
- & Actual value is based on sales of chemicals and other contracts with Taliworks Group.

The above transactions are necessary for KPS Berhad Group's day-to-day operations, in the ordinary course of business and on transaction prices and terms not more favourable to the Related Parties than those generally available to the public as well as not to the detriment of the minority shareholders of KPS Berhad Group.

The basis of arriving at the estimated value as indicated above is based on the value transacted during the financial year ended 31 December 2025 as well as the latest available information relating to these transactions. The value of these transactions may be subject to changes in the financial year ending 31 December 2026.

2.4 Amount due and owing to KPS Berhad Group by Related Parties

As of 31 December 2025, the breakdown of the outstanding amounts due and owing by the Related Parties to KPS Berhad Group under the RRPTs, which exceeded the credit terms given as disclosed in Section 2.3 of this Circular, is as follows:

No.	Related Parties	Outstanding amount due under RRPT which exceeded the credit term for the following periods as of 31 December 2025			
		1 year or less (RM'000)	More than 1 to 3 years (RM'000)	More than 3 to 5 years (RM'000)	More than 5 years (RM'000)
1.	Air Selangor Group	10,906	-	-	-
2.	Taliworks Group	1,552	-	-	-
Total		12,458	-	-	-

However, the total outstanding amount due and owing by the Related Parties to KPS Berhad Group as of the LPD, 31 March 2026, is RM9.53 million, comprising RM6.98 million and RM2.55 million due from Air Selangor Group and Taliworks Group, respectively.

No late payment charges were imposed on the outstanding amounts due and owing by Air Selangor Group and Taliworks Group to Aqua-Flo. The Board has reviewed the outstanding amounts and is of the opinion that they fall within the scope of the Group's normal business operations and are recoverable. In addition, the Company is of the view that the Related Parties are long-term business partners with good credit standing.

The Management of Aqua-Flo remains in continued discussions with the Related Parties regarding the settlement of outstanding amounts. Aqua-Flo has consistently received payments from Air Selangor Group and Taliworks Group on a monthly basis.

2.5 Review Procedures for the RRPT

The Group has established the following procedures and guidelines to ensure that the RRPTs are undertaken on an arm's length basis, under normal commercial terms, and at transaction prices that are no more favourable to the Related Parties than those generally available to the public, and are not detrimental to minority shareholders:

- (a) A list of the Related Parties that is maintained by the Secretarial Department is made available to all Head of Department and Head of Subsidiary within the KPS Berhad Group. The Finance Department shall monitor and ensure that all RRPT to be entered into by the Group are reported to the BAC for their recommendation to the Board. The list shall be updated annually, as and when there are changes.
- (b) At least two (2) other contemporaneous transactions with unrelated third parties for similar products/services and/or quantities will be used as a comparison, wherever possible, to determine whether the price and terms offered to/from the related parties are fair and reasonable and comparable to those offered to/from other unrelated third parties for the same or substantially similar type of products/services and/or quantities.

In the event that quotation and comparative pricing from unrelated parties cannot be obtained, and third-party consultation/evaluation is unavailable, the transaction price will be determined by the relevant management committee, i.e. Investment Evaluation Committee, based on the usual standard, business practices and policies to ensure that the RRPT is not detrimental to the KPS Berhad Group.

- (c) The RRPT is monitored monthly by the Finance Department and reported to the BAC on a quarterly basis. However, if at any time during the period the Finance Department identifies that the RRPT threshold (as prescribed under the relevant provisions of the Listing Requirements) has been exceeded, it will report this to the BAC as soon as practicable.
- (d) Where any member of the BAC and/or Board ("Person(s)") has an interest (direct or indirect) in the RRPTs to be reviewed, such Person(s) must declare his/her interest in the RRPT and abstain from deliberation and voting on the matter during the respective meeting.
- (e) Disclosure will be made in the annual report of the Company of the actual breakdown of the aggregate value of transactions conducted based on the type of RRPT and the names of the Related Parties involved in each type of RRPT made and their relationship with the Company as required under Paragraph 3.1.5 of the Practice Note 12 of the Listing Requirements pursuant to the shareholders' mandate during the financial year. This disclosure will also be made in the annual report for subsequent financial years during which the shareholders' mandate remains in force.
- (f) If the actual value of the RRPT entered into by the Group exceeds the estimated value of the RRPT disclosed in the circular to shareholders on the Proposed Renewal of Shareholders' Mandate by 10% or more, the Company will make an immediate announcement to Bursa Securities.
- (g) The Internal Audit Department shall perform a review on a sampling basis to ensure that all RRPTs are undertaken on an arm's length basis, on terms which are not more favourable to the Related Parties other than those generally available to the public as well as not to the detriment of the minority shareholders of the Company.

The Internal Audit Department shall report to the BAC on whether the RRPTs entered into by the Group were entered into at arm's length, fair and reasonable and not detrimental to minority shareholders of the Company.

All RRPTs shall be reviewed by the BAC on a quarterly basis. In the review of such transactions, the BAC may, as it deems fit, request for additional information from independent sources.

- (h) The BAC and the Board of Directors shall review the internal audit reports to ascertain that the guidelines and procedures established (as set out in paragraphs (a) to (f) above) to monitor RRPT have been complied with. The review shall be done on a quarterly basis.

2.6 Threshold for Approval of RRPT within KPS Berhad Group

The specific thresholds for approval of RRPT within the Group are as follows:

2.6.1 At KPS Berhad

2.6.1.1 Amount of RM500,000.00 and below:

Proposed by	Recommended by	Approved by
Head of Department	Head of Finance/DCEOFCS after reviewing and verifying by Internal Auditors	MD/GCEO

2.6.1.2 Amount above RM500,000.00:

Condition	Proposed by	Recommended by	Approved by
Above RM500,000 to RM1.0 million	Head of Department	IEC/TEC [^] and BAC	Board
More than: RM1.0 million to seek shareholders' mandate at the AGM	Head of Department	IEC/TEC [^] and BAC	<ul style="list-style-type: none"> • Board; and • Shareholders

2.6.2 At subsidiaries

2.6.2.1 Amount of RM500,000.00 and below:

Proposed by	Approved by
HOS in consultation with EXCO	Board of Subsidiary

2.6.2.2 Amount above RM500,000.00:

Condition	Proposed by	Approved by	Recommended by	Approved by
Above RM500,000 to RM1.0 million	HOS in consultation with EXCO	Board of subsidiary, subject to KPS Berhad Board's approval	KPS Berhad IEC/TEC [^] and BAC	KPS Berhad's Board

Condition	Proposed by	Approved by	Recommended by	Approved by
More than: RM1.0 million to seek shareholders' mandate at the AGM	HOS in consultation with EXCO	Board of subsidiary, subject to KPS Berhad Board's approval	KPS Berhad IEC/TEC ^{^^} and BAC	<ul style="list-style-type: none"> • KPS Berhad's Board; and • KPS Berhad's Shareholders

Note:

^{^^} The IEC/TEC comprises MD/GCEO as Chairperson, Deputy Chief Executive Officer (Finance & Corporate Services), Deputy Chief Executive Officer (Strategy & Investments), one (1) representative each from Risk Management Department, Legal and Compliance Department and Finance Department. For investment related proposals, all personnel of Strategic Planning & Investments Department other than the project owner. For procurement related proposals, one (1) representative from Human Resource Development Department.

2.7 Statement by the BAC

The BAC of the Company has reviewed the procedures outlined in Section 2.5 above and is of the view that the said procedures are sufficient to ensure that all RRPTs are conducted on an arm's length basis, on transaction prices and terms not more favourable to the Related Parties than those generally available to the public and are not to the detriment of the minority shareholders. No interested member of the BAC has been involved in the review of the RRPT.

The BAC is also of the view that KPS Berhad Group has implemented adequate procedures and processes to monitor, track and identify RRPT in a timely and orderly manner. The BAC will review the procedures and processes annually or whenever the need arises.

2.8 Rationale and Benefit for the Proposed Renewal of Shareholders' Mandate

The RRPT envisaged under the Proposed Renewal of Shareholders' Mandate is in the ordinary course of business of KPS Berhad Group. They are recurring transactions of a revenue or trading nature which are likely to occur with some degree of frequency and arise at any time and from time to time. The transactions may be constrained by the time-sensitive nature and confidentiality of such transactions, and it may be impractical to seek shareholders' approval on a case-by-case basis before entering into such RRPT.

As such, the Board is seeking a shareholders' mandate pursuant to Paragraph 10.09 of the Listing Requirements for the RRPT described herein to allow the Group to enter into such recurrent transactions where the transaction prices are undertaken on an arm's length basis and on normal commercial terms not more favourable to the Related Parties than those generally available to the public and are not prejudicial to the interests of the minority shareholders.

By obtaining the Proposed Renewal of Shareholders' Mandate on an annual basis, the necessity to convene separate general meetings from time to time to seek shareholders' approval as and when such RRPT occur would not arise. This would reduce substantial administrative time, inconvenience and expenses associated with the convening of such meetings, without compromising the corporate objectives of the Group or adversely affecting the business opportunities available to the Group.

The Related Parties which are involved in the RRPT have long-standing relationship with KPS Berhad Group and where applicable, have proven their reliability. The RRPT entered into by KPS Berhad Group as detailed in Section 2.3 will meet KPS Berhad Group's business needs in the best possible terms and is in the best interest of KPS Berhad Group.

2.9 Risk and Implications on Non-Approval of the RRPT Mandate

In the event that shareholders do not approve the Proposed Renewal of Shareholders' Mandate, KPS Berhad Group may face constraints in entering into RRPTs that are essential to its day-to-day operations. This could lead to operational delays and increase administrative costs, as the Group would need to convene separate general meetings to obtain shareholders' approval for each transaction prior to the 5% percentage ratio threshold under the Listing Requirements is triggered.

Such limitations may result in lost business opportunities and may adversely affect the Group's operational efficiency and competitiveness, particularly in time-sensitive or strategic transactions involving related parties. Over time, this could impact the Group's ability to distribute dividends to shareholders.

In addition, the timeliness of service delivery and contract fulfilment may be affected, potentially impacting KPS Berhad Group's ability to generate revenue from its existing supply and service agreements. Given that RRPTs contribute significantly to the Group's total revenue, the absence of a mandate could negatively affect its profitability and cash flow, depending on the extent to which these transactions are delayed, reduced, or foregone entirely.

2.10 Financial Effects of the Proposed Renewal of Shareholders' Mandate

The Proposed Renewal of Shareholders' Mandate will have no effect on the total number of issued share capital and substantial shareholders' shareholdings of KPS Berhad.

Business transactions arising from the Proposed Renewal of Shareholders' Mandate are expected to contribute positively to the net assets per share and earnings per share of the KPS Berhad Group.

2.11 Interests of Directors, Major Shareholders and/or Persons Connected to them

As of the LPD, the details of the direct and indirect shareholdings of the Interested Directors and Major Shareholders and Persons Connected with them are set out in Section 2.3 of this Circular and the table below:

	Direct		Indirect	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Interested Directors				
Dato' Dr. Ahmad Fadzli	-	-	-	-
Dato' Ts. Saipolyazan	-	-	-	-
Major Shareholders				
MBI	-	-	-	-
DEIG	311,023,454 ⁽²⁾	57.88	-	-
Interested Persons Connected				
Air Selangor	-	-	-	-
PKNS	29,675,038	5.52	-	-
TWNS	9,309,615	1.732	-	-

Notes:

⁽¹⁾ Based on number of issued shares as of LPD of 537,385,383 Ordinary Shares.

⁽²⁾ MBI is deemed interested by virtue of its interest in DEIG pursuant to Section 8 of the Act.

Save as disclosed above, none of the Directors, Major Shareholders and/or Persons Connected to them has any interest, direct or indirect, in the Proposed Renewal of Shareholders' Mandate.

The BAC had on 27 March 2026, reviewed and recommended the RRPT under the Proposed Renewal of Shareholders' Mandate for Board's consideration. The Interested Directors namely, Dato' Dr. Ahmad Fadzli and Dato' Ts. Saipolyazan have abstained and will continue

to abstain from Board deliberation and voting in respect of the relevant RRPT under the Proposed Renewal of Shareholders' Mandate at the Board meeting held on 31 March 2026 and subsequent Board meeting (if any).

The Interested Directors, Interested Major Shareholders, namely, MBI and DEIG and/or Interested Persons Connected will abstain from voting in respect of their direct and indirect shareholdings on the Proposed Renewal of Shareholders' Mandate at the forthcoming 49th AGM.

The Interested Directors and Interested Major Shareholders have also undertaken to ensure that the Interested Person Connected to them will abstain from voting in respect of their direct and indirect shareholdings on the Proposed Renewal of Shareholders' Mandate at the forthcoming 49th AGM.

3. DIRECTORS' RECOMMENDATION

The Directors (save for the Interested Directors), having considered the Proposed Renewal of Shareholders' Mandate, including the rationale and benefit for the Proposed Renewal of Shareholders' Mandate, are of the opinion that the Proposed Renewal of Shareholders' Mandate is in the best interest of the Company and recommends that you vote in favour of the resolution pertaining to the Proposed Renewal of Shareholders' Mandate to be tabled at the forthcoming 49th AGM.

4. APPROVAL REQUIRED

The Proposed Renewal of Shareholders' Mandate is subject to approval being obtained from our shareholders at the forthcoming 49th AGM.

5. 49th AGM

The 49th AGM of KPS Berhad, the Notice of which is set out in the 2025IAR of KPS Berhad accompanying this Circular, will be conducted at the Ballroom 1, Setia City Convention Centre, No. 1, Jalan Setia Dagang AG U13/AG Setia Alam, Seksyen U13, 40170 Shah Alam, Selangor Darul Ehsan, on Tuesday, 19 May 2026 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the resolution pertaining to the Proposed Renewal of Shareholders' Mandate as described herein.

The Proxy Form must be lodged at the Company's share registrar, Boardroom, at 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia, or alternatively, submitted electronically via Boardroom Smart Investor Portal at <https://investor.boardroomlimited.com>, not later than 48 hours before the time set for holding the meeting.

Please refer to the Administrative Guide for Shareholders for detailed procedures on the submission of the Proxy Form.

6. FURTHER INFORMATION

You are advised to refer to the attached **Appendix I** for further information.

Yours faithfully

**For and on behalf of the Board of
KUMPULAN PERANGSANG SELANGOR BERHAD**

DATUK SYED IZUAN BIN SYED KAMARULBAHRIN
Independent Non-Executive Director

FURTHER INFORMATION

1. DIRECTORS' RESPONSIBILITY STATEMENT

This Circular has been seen and approved by the Directors of KPS Berhad who, individually and collectively, accept full responsibility for the accuracy of the information contained in this Circular and confirm that, after making all reasonable enquiries to the best of their knowledge and belief, there are no other facts the omission of which would make any statement in this Circular misleading.

2. MATERIAL LITIGATION

Save as disclosed below, neither KPS Berhad nor its subsidiaries are involved or engaged in any material litigation, claims or arbitration, whether as plaintiff or defendant. The Directors of KPS Berhad are also not aware of any proceedings, whether pending or threatened, against KPS Berhad and/or any of its subsidiary companies, nor of any facts likely to give rise to any proceedings that may materially and adversely affect the financial position or business of KPS Berhad and/or its subsidiary companies:

(a) Writ of Summons and Statement of Claim received from 39 former employees of Quality Hotel City Centre ("QHCC"), being the hotel previously owned by Perangang Hotel and Properties Sdn Bhd ("PHP"), against (1) PHP, (2) KPS Berhad and (3) Leo Hospitality Sdn Bhd (in liquidation) ("Leo")

On 25 May 2022, KPS Berhad and PHP received a letter dated 24 May 2022 from the solicitors representing 39 former employees of QHCC ("**Plaintiffs**"), together with a Writ of Summons and Statement of Claim both dated 13 May 2022 ("**Claim**") issued by the Kuala Lumpur High Court ("**High Court**"). The Claim was filed against:

1. PHP;
2. KPS Berhad; and
3. Leo.

The Plaintiffs are claiming, inter-alia:

- a. loss of retrenchment benefits totaling RM2,777,952.21 ("**Amount**");
- b. interest at 5% per annum on the Amount from 19 March 2018 or such other date as determined by the High Court; and
- c. such further relief as the High Court deems fit.

Background

Following a change of business direction, the Boards of KPS Berhad and PHP decided that PHP would exit the hospitality sector. Accordingly, QHCC ceased operations in 2017. All QHCC employees, including the Plaintiffs, were offered employment and/or absorbed by Leo, the company that took over QHCC's hotel operations in 2017, on similar terms and conditions.

Leo was subsequently wound up by the Kuala Lumpur High Court ("**High Court**") on 15 May 2019, vide Winding-Up Suit No. WA28NCC-207-03/2019.

Court Proceedings in the High Court

- 8 June 2022 : KPS Berhad filed its Memorandum of Appearance through its solicitors.
- 4 July 2022 : KPS Berhad and PHP filed their Statement of Defence; case management fixed on 20 July 2022.
- 29 July 2022 : KPS Berhad and PHP received the Plaintiffs' Reply; case management fixed on 18 August 2022.

Striking Out Application

- 4 August 2022 : KPS Berhad and PHP filed a Striking Out Application with an affidavit in support against the Plaintiffs' action.
- 26 August 2022 : KPS Berhad and PHP received the Plaintiffs' Affidavit in Reply; case management fixed on 19 September 2022.
- 19 September 2022 : Court directed all parties to file written submissions by 19 October 2022, reply submissions by 9 November 2022; hearing fixed for 14 December 2022 (later postponed to 2 March 2023).
- 2 March 2023 : Striking Out Application heard.
- 11 April 2023 : Court allowed the Plaintiffs further submissions by 25 April 2023; KPS Berhad and PHP filed their reply submissions on 3 May 2023; hearing and decision fixed for 16 May 2023.
- 16 May 2023 : Court dismissed KPS Berhad and PHP's Striking Out Application with global costs of RM7,000.00. Court also granted judgement in default against Leo. Case management fixed on 24 July 2023 (later fixed on 11 September 2023 and 9 October 2023).
Trial dates were fixed for 17 to 20 June 2024, later rescheduled to 24 - 27 February 2025 to enable all parties to strictly comply with all directions given by the Court.

Trial and High Court Decision

- Trial for the Claim concluded on 27 February 2025.
- Decision initially set for 24 June 2025, rescheduled to 16 July 2025.
- On 16 July 2025, the High Court delivered its decision:
 1. Plaintiffs' Claim against PHP allowed, damages of RM63,952.53 awarded.
 2. Plaintiffs' Claim against KPS Berhad dismissed, with costs of RM5,000.00 awarded to KPS Berhad.
 3. Plaintiffs' Claim against Leo dismissed, with no order as to costs.

Appeal Proceedings in the Court of Appeal

- 11 August 2025 : PHP filed a Notice of Appeal (Appeal No. W-02(NCvC)(W)-1534-08/2025).
- 12 August 2025 : Plaintiffs filed a Notice of Appeal against KPS Berhad (Appeal No. W-02(NCvC)(W)-1535-08/2025); case management fixed on 11 December 2025.
- 28 November 2025 : Plaintiffs filed a Notice of Cross-Appeal against PHP.

Court of Appeal Directions

At case management on 11 and 17 December 2025, the Court of Appeal directed:

1. Both appeals fixed for hearing on 27 August 2026;
2. Parties to file *Notis Makluman Butiran Pihak-Pihak* on or before 30 July 2026;
3. Appellants to file and serve Special Bundle on or before 30 July 2026;
4. All parties to file Submissions, Bundle of Authorities, Executive Submission, and Common Core Bundle on or before 30 July 2026; and
5. Reply Submissions to be filed on or before 12 August 2026.

A further case management is fixed on 13 August 2026 to ensure compliance.

(b) **Writ of Summons and Statement of Claim from (1) Tan Kok Heong, (2) Tan Kok Cheng and (3) Tan Kok Gea (“Plaintiffs”) Against (1) Menteri Besar Selangor, (2) Kerajaan negeri Selangor, (3) KPS Berhad, and (4) Pentadbir Tanah Daerah Kuala Langat (“Defendants”)**

First Suit

On 14 November 2023, KPS Berhad received a letter from the Plaintiffs’ solicitors enclosing a sealed Amended Writ dated 10 November 2023 and a Statement of Claim (“**Claim**”) dated 6 November 2023 issued by the Shah Alam High Court (“**High Court**”) (collectively, the “**First Suit**”). The Plaintiffs sought, inter-alia, the following Claim:

- (i) A declaration that the Plaintiffs are the previous landowners of:
 - Land 21341: Hakmilik C.T. 21341, Lot 3322, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor, measuring land areas of approximately 4.331 acres; and
 - Land 21331: Hakmilik C.T. 21331, Lot 3312, Mukim Tanjong Dua Belas, Daerah Kuala Langat, Negeri Selangor, measuring land areas of approximately 4.875 acres;
(collectively, the “Lands”), being part of the mining scheme under KPS Berhad at Brooklyn and Sungai Kelambu, Banting, Selangor.
- (ii) A declaration that the Land Replacement Agreement (Perjanjian Penggantian Tanah) issued by 1st and 2nd Defendants to the Plaintiffs is valid.
- (iii) A declaration that the Defendants breached the trust and repudiated the Land Replacement Agreement by failing to provide replacement lands to the Plaintiffs.
- (iv) Damages for the Lands based on market value at the date of judgement, or alternatively based on previous Inland Revenue Board assessments.
- (v) General damages.
- (vi) Interest at 5% per annum on damages under paragraph (iv) above from 10 November 2023 until full settlement.
- (vii) Cost and other related cost.
- (viii) Other relief(s) as the High Court deems fit.

The 1st and 2nd Plaintiffs alleged that the Lands were previously owned by their deceased parents, namely Ang Kua and Tan Hooy, while the 3rd Plaintiff is the appointed administrator of the estates.

The Plaintiffs subsequently withdrew the First Suit via a Notice of Discontinuance dated 13 November 2023 to include additional parties.

Second Suit

On 4 January 2024, KPS Berhad received a letter dated 4 January 2024 from the Plaintiffs’ solicitors enclosing a sealed Writ and Statement of Claim dated 22 December 2023 issued by the High Court (collectively, the “**Second Suit**”)

This Second Suit arises from the same subject matter as the First Suit, save that it includes additional Defendants: Menteri Besar Selangor, Kerajaan Negeri Selangor, and Pentadbir Tanah Daerah Kuala Langat.

The Plaintiffs seek claims substantially similar to those in the First Suit.

Case Management and Pleadings

At case management on 23 January 2024, the Court directed:

- (i) Defendants to file Defences on or before 22 February 2024;
- (ii) Plaintiffs to file Reply to Defence on or before 19 March 2024; and
- (iii) Next case management on 20 March 2024 for the Court to give pre-trial case management directions.

KPS Berhad filed its Statement of Defence on 22 February 2024 and received the Plaintiffs' Reply to Defence dated 19 March 2024 on 20 March 2024.

At the case management on 20 and 21 March 2024, the High Court fixed 25 April 2024 to update the parties' intention on mediation.

Applications (Enclosure 14 and Enclosure 16)

On 22 April 2024, KPS Berhad filed:

- Amended Statement of Defence dated 22 April 2024;
- Notice of Application under Order 33 Rule 2 and 5 dated 23 April 2024 ("Application");
- Affidavit in Support dated 19 April 2024.

At the case management on 25 to 29 April 2024, the High Court suspended further pleadings pending disposal of:

- **Enclosure 14** – KPS Berhad's Application; and
- **Enclosure 16** – Striking Out Application by the 1st, 2nd and 4th Defendants.

Court Directions for Enclosure 14

- Plaintiffs' Affidavit in Reply by 16 May 2024
- KPS Berhad's Affidavit in Reply by 6 June 2024
- Written Submissions by 27 June 2024
- Reply Submissions by 18 July 2024
- Case management fixed on 19 July 2024

KPS Berhad filed written submissions ("**Enclosure 29**") and bundles of authorities (Enclosure 30 and 31) on 12 July 2024.

During the case management held on 19 July 2024, the High Court fixed the hearing date for the following applications:

- Enclosure 14 on 12 September 2024
- Enclosure 16 on 12 September 2024

The case management for Enclosure 1 (being the Second Suit) was postponed pending the disposal of the applications filed by the Defendants.

KPS Berhad filed Supplementary Bundle of Authorities (Enclosure 36) on 26 July 2024, and received Plaintiffs' Reply Submission on the same day.

On 30 August 2024, KPS Berhad filed its Executive Summary for Enclosure 14.

On 12 September 2024, the High Court heard Enclosure 14 and adjourned decision to 7 November 2024.

On 7 November 2024, the High Court dismissed Enclosure 14.

Developments in Enclosure 16 and Appeal

The High Court fixed case management for the Second Suit on 22 November 2024, then 17 December 2024.

At the case management on 17 December 2024, the High Court recorded that Enclosure 16 had been allowed for the 1st, 2nd and 4th Defendants.

The Plaintiffs filed an appeal (**Enclosure 16 Appeal**) to the Court of Appeal.

Case management for the appeal was fixed on 19 February 2025, and the High Court postponed Enclosure 1 pending its outcome.

Subsequent Case Managements

On 21 February 2025, the Plaintiffs informed the High Court that the Court of Appeal hearing for the Enclosure 16 Appeal is fixed on 5 August 2025.

The High Court set case management for Enclosure 1 on 6 August 2025, where directions were given for the filing of:

- Bundle of Pleadings
- Common Bundle of Documents
- Summary of Case
- Agreed Facts
- Issues to be Tried
- Witness List

by 26 September 2025.

On 1 October 2025, the High Court directed:

- (i) All pre-trial directions to be complied with
- (ii) Witness statements to be filled by 3 November 2025;
- (iii) Next case management on 5 November 2025; and
- (iv) Trial dates fixed on 25 to 27 March 2026.

At case management on 5 November 2025, the trial dates were maintained with limited extensions for witness statements and chronology of facts.

Withdrawal of Suit Against KPS Berhad

On 18 December 2025, the Plaintiffs filed a Notice of Withdrawal (Notis Pemberhentian) of the Second Suit against the KPS Berhad only,

- with no liberty to file afresh, and
- with cost of RM10,000.00 payable to KPS Berhad.

3. MATERIAL CONTRACTS

Save as disclosed below, there are no other material contracts, not being contracts entered into in the ordinary course of business, have been entered into by KPS Berhad and/or its subsidiaries within the two (2) years immediately preceding the date of this Circular, being the LPD prior to printing of this Circular:

(a) Disposal of Property - Plaza Perangsang by KPS Berhad to PKNS for a total cash consideration of RM46,000,000.00 (“Disposal”)

On 29 February 2024, KPS Berhad entered into a conditional sale and purchase agreement (“Agreement”) with PKNS to dispose a 26-storey tower block with 4-storey podium block and 3-storey basement car park known as “Plaza Perangsang” erected on part of the land held under H.S.(D) 92260, Lot PT 6, Bandar Shah Alam, Daerah Petaling,

Selangor Darul Ehsan and bearing postal address at Plaza Perangsang, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan ("Property") for a total cash consideration of RM46,000,000.00 ("Disposal Price") (hereinafter referred to as "Disposal").

The Balance Disposal Price was fully settled by PKNS on 1 July 2024, and the Disposal was completed on the same date.

(b) **Proposed divestment of 100% equity stake in Perangsang Oil and Gas Sdn Bhd to Manjaran Sdn Bhd**

KPS Berhad had on 9 September 2025 entered into a Share Sale Agreement ("**SSA**") with Manjaran Sdn Bhd ("**Purchaser**") for the proposed divestment of its 100% equity stake in Perangsang Oil and Gas Sdn Bhd ("**POGSB**") (which in turn owns 40% stake in NGC Energy Sdn Bhd ("**NGC**") for a cash consideration of RM32.00 million ("**Proposed Divestment**"). Completion shall take place within one (1) month following the fulfillment or waiver of the conditions precedent of the SSA, or such other date as may be mutually agreed in writing between KPS Berhad and the Purchaser.

The Proposed Divestment is subject to the following conditions precedent:

- (i) NGC to procure a written approval from the Ministry of Domestic Trade and Cost of Living for the change in directors in NGC;
- (ii) NGC to procure and deliver an evidence of Bank Islam Malaysia Berhad ("**BIMB**") agreeing to the absolute release and discharge of all obligations of KPS Berhad under any corporate guarantee and/or any other securities provided by KPS Berhad in favour of BIMB in respect of any financing facilities granted to NGC, and in this connection, the Purchaser and/or its shareholders shall provide guarantee and/or any other securities as may be required by BIMB to secure the financing facilities in place of KPS Berhad;
- (iii) if applicable, NGC to procure and deliver an evidence of any third party(ies) agreeing to the absolute release and discharge of all obligations of KPS Berhad under any guarantee and/or indemnity provided by KPS Berhad in favour of such third party(ies) in relation to the business and/or for the benefit of NGC, and in this connection, the Purchaser and/or its shareholders shall provide such guarantee and/or indemnity in favour of such third party(ies) in place of KPS Berhad;
- (iv) NGC to obtain consent from BIMB for the change of directors in NGC, as may be required under the relevant facilities agreement and/or security documents in relation to the financing facilities granted by BIMB to NGC; and
- (v) KPS Berhad to deliver to the Purchaser a written confirmation that to the best of its knowledge and belief:
 - (a) there are no actual or threatened claims, demands, proceedings, or investigations by any third party against POGSB; and
 - (b) all statutory payments, taxes, levies, contributions and other payments required to be made by POGSB under any applicable laws have been duly and punctually paid up to the date of such confirmation.

The Proposed Divestment is expected to be completed in first half of 2026.

4. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the registered office of KPS Berhad at 17th Floor, Plaza Perangas, Persiaran Perbandaran, 40000 Shah Alam, Selangor Darul Ehsan, during normal business hours from the date of this Circular to the date of the 49th AGM:

- (a) Constitution of the Company;
- (b) Audited consolidated financial statements of KPS Berhad for the past (2) financial years ended 31 December 2024 and 31 December 2025;
- (c) Material contracts referred to in Section 3 of **Appendix I** above; and
- (d) The relevant cause papers in relation to material litigation referred to in Section 2 of **Appendix I** above.

