



KSL HOLDINGS BERHAD

200001008827 (511433-P)

ANNUAL REPORT 2025



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Ku Hwa Seng (Executive Chairman)
Khoo Cheng Hai @ Ku Cheng Hai (Group Managing Director)
Ku Tien Sek (Executive Director)
Khoo Lee Feng (Executive Director)
Ku Ek Mei (Executive Director)
Tan Kai Seng (Executive Director)
Pang Ah Kow (Independent Non-Executive Director)
Tan Swee Geok (Independent Non-Executive Director)
Wong Lee Lee (Independent Non-Executive Director)

COMPANY SECRETARIES

Lim Pei Cheng (SSM PC No. 201908003202) (MAICSA 7071988)
Ng Chui Yen (SSM PC No. 202208000325) (MIA 23826)

AUDITORS

MORISON LC PLT (AF002469)
Level 11-01, Uptown, 3, Jalan SS 21/39,
Damansara Utama, 47400 Petaling Jaya, Selangor.
Tel: 03-7491419
E-mail: enquiries@morisonlc.com
Website: <https://morisonlc.com/>

SHARE REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
Registration No. 199601006647 (378993-D)
11th Floor, Menara Symphony,
No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13,
46200 Petaling Jaya, Selangor, Malaysia
Tel: +603-7890 4700 / Fax: +603-7890 4670
Website: <https://www.boardroomlimited.com>

CORPORATE INFORMATION (CONT'D)

SOLICITORS

Lee Fook Leong & Co
No. 29, 31 & 33, 1st Floor, (Peti Surat 95),
Jalan Kekwa, 85007 Segamat, Johor Darul Takzim.
Tel: 07-931 3479 / Fax: 07-931 4180

YK Chin
L1-86A, KSL City, No. 33, Jalan Seladang, Taman Abad,
80250 Johor Bahru, Johor Darul Takzim.
Tel: 07-3319939 / Fax: 07-2890039

PRINCIPAL BANKERS

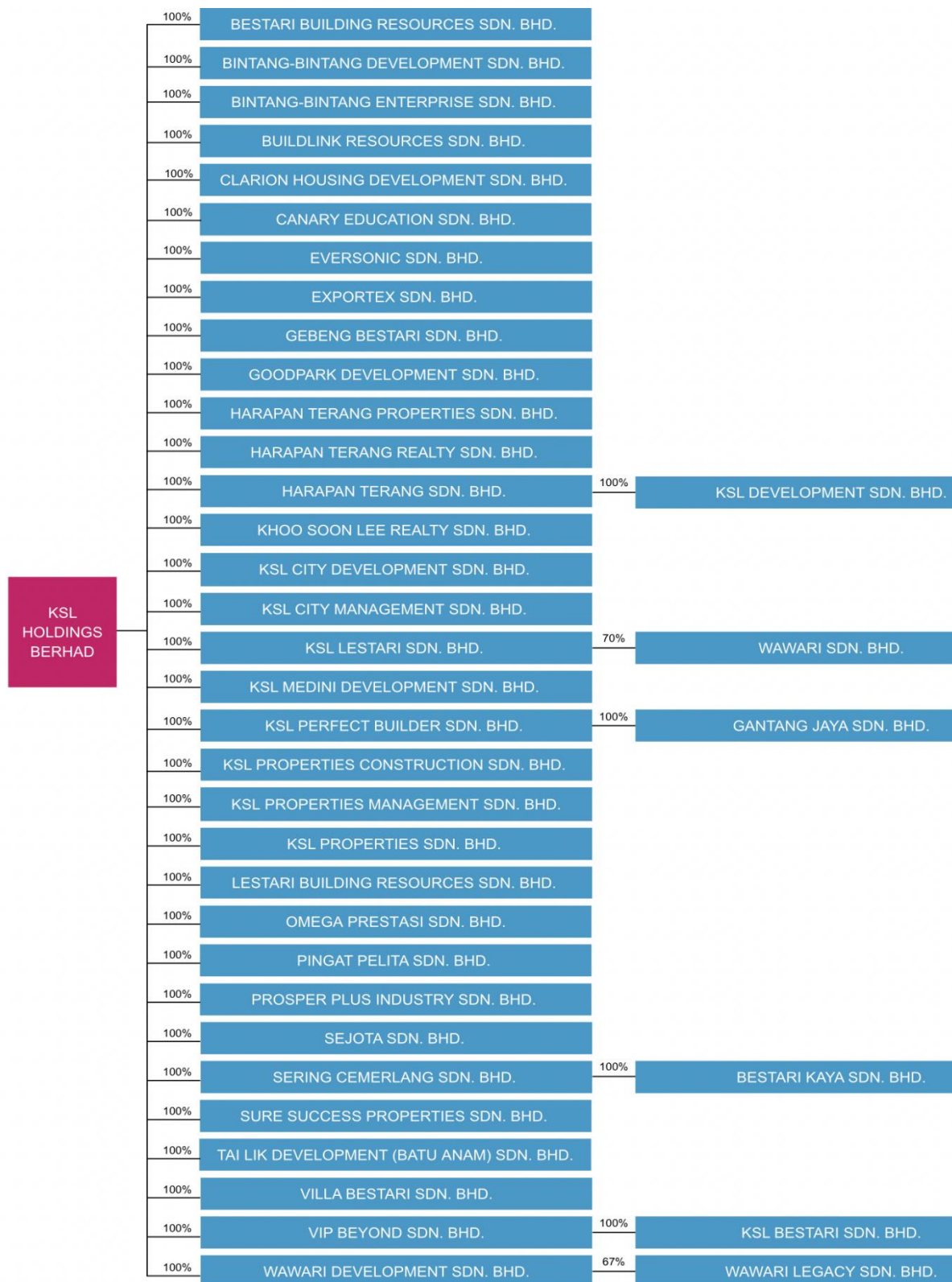
Malayan Banking Berhad
OCBC Bank (Malaysia) Berhad
RHB Bank Berhad
AmBank (M) Berhad

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad
Stock Name: KSL
Stock Code: 5038

CORPORATE STRUCTURE

KSL HOLDINGS BERHAD GROUP OF COMPANIES



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Twenty-Sixth (26th) Annual General Meeting of the Company will be held at KSL Resorts, Level G, Infusion Private Room, 33, Jalan Seladang, Taman Abad, 80250 Johor Bahru, Johor, Malaysia on Tuesday, 26 May 2026 at 11.00 a.m. for the following purposes:-

AGENDA

ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Directors' and Auditors' Reports thereon.
2. To approve the payment of the Non-Executive Directors' Fees of RM90,000 and Allowances of RM20,000 for the financial year ending 31 December 2026 until the next AGM of the Company. **Resolution 1**
3. To re-elect the following Directors who are retiring in accordance with Article 93 of the Company's Constitution:-
 - a) Mr. KU HWA SENG **Resolution 2**
 - b) Mr. PANG AH KOW **Resolution 3**
 - c) Ms. TAN SWEE GEOK **Resolution 4**
4. To re-appoint Messrs. MORISON LC PLT (AF002469), the retiring Auditors of the Company and to authorise the Board of Directors to fix their remuneration. **Resolution 5**
5. To declare a single tier final dividend of 10 sen per ordinary share in respect of the financial year ended 31 December 2025. **Resolution 6**

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following Ordinary Resolutions:-

6. **AUTHORITY TO ALLOT AND ISSUE SHARES PURSUANT TO SECTIONS 75 AND 76 OF THE COMPANIES ACT 2016** **Resolution 7**

“THAT pursuant to Sections 75 and 76 of the Companies Act 2016 and subject to the approval of the relevant authorities, the Directors be and are hereby empowered to allot and issue shares in the Company from time to time and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion, deem fit provided that the aggregate number of shares issued pursuant to this resolution does not exceed 10% of the total number of shares of the Company (excluding treasury shares) for the time being and that the Directors be and also empowered to obtain approval for the listing of and quotation for the additional shares so issued on the Bursa Malaysia Securities Berhad **AND THAT** such authority shall continue in force until:-

- a) the conclusion of the Annual General Meeting held next after the approval was given; or
- b) the expiry of the period within which the next Annual General Meeting is required to be held after the approval was given,

whichever occurs first.

7. **PROPOSED RENEWAL OF AUTHORITY FOR DIRECTORS TO ALLOT AND ISSUE NEW ORDINARY SHARES OF THE COMPANY (KSL SHARES) IN RELATION TO THE DIVIDEND REINVESTMENT PLAN THAT PROVIDES SHAREHOLDERS OF THE COMPANY WITH AN OPTION TO REINVEST THEIR CASH DIVIDEND IN NEW KSL SHARES (DIVIDEND REINVESTMENT PLAN)** **Resolution 8**

“THAT pursuant to the Dividend Reinvestment Plan (DRP) as approved by the Shareholders at the Extraordinary General Meeting held on 28 November 2014, approval be and is hereby given to the Directors to allot and issue such number of new KSL Shares, from time to time as may be required to be allotted

and issued pursuant to the DRP until the conclusion of the next Annual General Meeting, upon such terms and conditions and to such persons as the Directors may, in their sole and absolute discretion, deem fit and in the best interest of the Company **PROVIDED THAT** the issue price of the said new KSL Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5) day volume weighted average market price (VWAMP) of KSL Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors and the Secretaries of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and agreements and to execute, sign and deliver for and on behalf of the Company, all such documents and impose such terms and conditions or delegate all or any part of its powers as may be necessary or expedient in order to give full effect to the DRP, with full powers to assent to any conditions, modifications, variations and/or amendments (if any) including amendments, modifications, suspension and termination of the DRP as the Directors may, in their absolute discretion, deem fit and in the best interest of the Company and/or as may be imposed or agreed to by any relevant authorities.”

8. To transact any other business appropriate to an Annual General Meeting, due notice of which shall have been previously given in accordance with the Companies Act 2016 and the Company's Constitution.

BY ORDER OF THE BOARD

LIM PEI CHENG (SSM PC No. 201908003202) (MAICSA 7071988)

NG CHUI YEN (SSM PC No. 202208000325) (MIA 23826)

Company Secretaries

Johor Bahru

28 April 2026

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes: -

A. Meeting venue

- (i) *The 26th AGM will be held on a physical mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) to attend physically in person at the Meeting Venue.*

B. Appointment of Proxy

- (i) *Members whose names appear in the Record of Depositors as at 8 May 2026 shall be eligible to attend, speak and vote at the 26th AGM.*
- (ii) *A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints two (2) proxies, the member must specify the proportions of shareholdings to be represented by each proxy.*
- (iii) *The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or if the member is a corporation, shall either be executed under its common seal or under the hand of an officer, or its attorney duly authorised in writing.*
- (iv) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*
- (v) *Where a member of the Company is an authorised nominee as defined under Securities Industry (Central Depositories) Act 1991, it shall not be entitled to appoint more than two (2) proxies to attend and vote at the 26th AGM.*
- (vi) *The instrument appointing a Proxy may be made in hardcopy form or by electronic means as follows and must be deposited not less than forty-eight (48) hours before the time for the Meeting; ie. latest by Friday, 22 May 2026 at 11.00 am:*

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Hardcopy

The instrument appointing a Proxy must be deposited at the registered office of the Company at Wisma KSL, 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor, Malaysia not less than forty-eight (48) hours before the time for the Meeting.

Electronically

The duly completed and executed Form of Proxy may be submitted electronically, through proxy@aismartualllearning.com.

C. Explanatory notes

Audited Financial Statements

The audited financial statements are laid in accordance with Section 340(1)(a) of the Companies Act (“CA”) 2016 for discussion only under item 1 of the agenda. They do not require shareholders’ approval and hence, will not be put for voting.

Directors’ Fees and Benefits (Resolution 1)

The Directors’ remuneration (excluding Directors’ fees) comprises the allowances and other emoluments payable to Non-Executive Directors.

Allowances of RM20,000 are to reimburse Non-Executive Directors’ travelling expenses to attend meetings of Company. Payment of benefits to the NEDs will be made by the Company as and when incurred, after they have discharged their responsibilities and rendered their services to the Company of the Relevant Period, based on the proposed benefits, if the proposed Resolution 1 is passed at the forthcoming Annual General Meeting.

Section 230(1) of the 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. In this respect, the Board agreed that the shareholders’ approval shall be sought at the 26th AGM on the Directors’ remuneration in resolution as below:

- Resolution 1 on payment of Non-Executive Directors’ fees and benefits in respect of the current year 2026 and until the next AGM of the Company (“Relevant Period”).

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

The Board decided that the Non-Executive Directors' fees for financial year ("FY") ended 31 December 2025 be maintained as the previous FY subject to the performance of the Company and the current economy. The remuneration policy for Non-Executive Directors fees is clarified in pages 71 to 72 of the Corporate Governance Report.

Re-election of Directors who retire in accordance with Article 93 of the Company's Constitution (Resolutions 2, 3 and 4).

Article 93 of the Company's Constitution provides that one-third (1/3) of the Directors of the Company for the time being shall retire by rotation at an AGM of the Company, or if their number is not three (3) or a multiple of three (3), then the number nearest to one-third (1/3). With the current Board's size of Nine (9), three (3) Directors are to retire in accordance with Article 93 of the Company's Constitution.

For the purpose of determining the eligibility of the Directors to stand for re-election at the 26th AGM, the Nominating Committee ("NC") has considered the following:

- 1) The assessment of the individual Director's level of contribution to the Board through each of their skills, experience and strength in qualities; and
- 2) The level of independence demonstrated by each of the Non-Executive Directors ("NEDs"), and their ability to act in the best interests of the Company in decision-making, to ensure that they are independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement or the ability to act in the best interests of the Company.

In line with the Malaysian Code on Corporate Governance ("MCCG"), the Board has conducted an assessment of independence of the NEDs, and also other criteria i.e. character, integrity, competence, experience and time commitment in effectively discharging their respective roles as Directors of the Company. The individual Directors were assessed based on performance criteria set in the areas of Board dynamics and participation, competency and capability, independence and objectivity, probity and personal integrity, contribution and performance together with their ability to make analytical inquiries and offer advice and guidance. Each of the NEDs has also provided his/her annual declaration/confirmation of independence bi-annually.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

The Board accepted the NC's recommendation that the Directors who retire in accordance with Article 93 of the Company's Constitution are eligible to stand for re-election. All these retiring Directors had abstained from deliberations and decisions on their own eligibility to stand for re-election at the relevant Board meeting.

Re-appointment of Auditors (Resolution 5)

Pursuant to Section 273(b) of the Act, the term of office of the present Auditors, Messrs. MORISON LC PLT (AF002469), shall lapse at the conclusion of this AGM unless they are re-appointed by the shareholders to continue in office. Messrs. MORISON LC PLT have indicated their willingness to continue their service. The re-appointment of Messrs. MORISON LC PLT as Auditors has been considered against the relevant criteria prescribed by Paragraph 15.21 of the MMLR. This proposed Resolution 8, if passed, will also give the Directors of the Company, the authority to determine the remuneration of the Auditors.

Proposed Single Tier Final Dividend (Resolution 6)

The Board proposed a single tier final dividend of 10 sen per ordinary share in respect of the financial year ended 31 December 2025.

Authority to Directors to allot and issue shares pursuant to Sections 75 and 76 of the Companies Act 2016 (Resolution 7).

The proposed Resolution 7 above, if passed, will empower the Directors of the Company, from the date of the 26th AGM, with the authority to allot and issue shares in the Company up to an amount not exceeding in total 10% of the total number of issued shares of the Company (excluding treasury shares) for such purposes as the Directors consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate sought to grant authority to Directors to allot and issue shares is a renewal of the mandate that was approved by the shareholders at the previous Annual General Meeting. The renewal of general mandate is to provide flexibility to the Company to issue new shares without the need to convene a separate general meeting to obtain shareholders' approval so as to avoid incurring cost and time.

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

The purpose of this general mandate is for possible fund raising exercises including but not limited to further placement of shares for purpose of funding current and/ or future investment projects, working capital and/ or acquisitions which the Directors deem necessary and feasible.

Up to date of this Notice, the Company had issued shares pursuant to the mandate granted to the Directors at the previous Annual General Meeting due to the Dividend Reinvestment Plan.

Proposed renewal of authority for Directors to allot and issue new ordinary shares of the Company (KSL Shares) in relation to the Dividend Reinvestment Plan that provides shareholder of the Company with an option to invest their cash dividend in new KSL SHARES (Dividend Reinvestment Plan) (Resolution 8).

The proposed Ordinary Resolution 8, if passed, will give the authority to the Directors to allot and issue new KSL Shares pursuant to the Dividend Reinvestment Plan in respect of the dividends declared from time to time until the next AGM.

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose of determining a member who shall be entitled to attend this meeting, the Company shall be requesting the Bursa Malaysia Depository Sdn Bhd in accordance with Article 63(3) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991, to issue a General Meeting Record of Depositors as at 8 May 2026. Only a depositor whose name appears on the Record of Depositors as at 8 May 2026 shall be entitled to attend this meeting or appoint proxy/proxies to attend, speak, participate and/or vote in his stead.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING

Day and Date	TUESDAY, 26 MAY 2026
Time	11:00 A.M.
Main Venue	KSL RESORTS, LEVEL G, INFUSION PRIVATE ROOM, 33, JALAN SELADANG, TAMAN ABAD, 80250 JOHOR BAHRU, JOHOR

REGISTRATION ON THE DAY OF 26TH AGM

The registration counter will be opened at **9.30 A.M.** on **TUESDAY, 26 MAY 2026** at **KSL RESORTS, LEVEL G, INFUSION PRIVATE ROOM, 33, JALAN SELADANG, TAMAN ABAD, 80250 JOHOR BAHRU, JOHOR, MALAYSIA.**

Attendees are requested to produce/show their original MyKAD or Passport (for non-Malaysian) to the registration personnel for verification purposes. Kindly ensure the original MyKAD or Passport is returned to you thereafter. Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.

PARKING

Vehicles may be parked at the designated location at your convenience. Please be advised that the parking fees are to be borne by the individual parking the vehicle.

NO DOOR GIFT OR FOOD VOUCHERS

Please be informed that no door gift or food voucher will be provided to members/proxies at the Main Venue.

Light refreshments will be provided.

MOBILE DEVICES

Please ensure that all mobile devices (i.e. phones/other sound emitting devices) are switched off or put in silent mode during the Meeting to ensure smooth and uninterrupted proceedings.

Photography and recording of the Meeting proceedings, either vocal and/or audio-visual, are strictly prohibited.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING (CONT'D)

ELIGIBILITY TO ATTEND BASED ON THE RECORD OF DEPOSITORS

Only shareholder whose name appears on the Record of Depositors as at 8 May 2026 is entitled to attend, participate, speak and vote at the AGM or appoint proxy(ies) to attend, participate, speak and vote on his/her behalf in respect of the number of shares registered in his/her name at that time.

APPOINTMENT OF PROXY(IES)

A shareholder who is unable to attend the 26th AGM on 26 May 2026 may appoint proxy or the Chairman of the Meeting as your proxy and indicate the voting instructions in the Form of Proxy.

If you wish to appoint proxy(ies) to participate in the 26th AGM, the Form of Proxy must be completed and deposited to the Share Registrar Office at **Wisma KSL, 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor, Malaysia** not less than forty-eight (48) hours before convening the 26th AGM, otherwise the Form of Proxy shall be treated as invalid.

You may also submit the proxy appointment electronically via email at the Poll Administrators' email address at **proxy@aismartuallearning.com**.

The last date and time for lodging the Form of Proxy is on Friday, 22 May 2026 at 10:00 a.m..

Kindly note that if you wish to attend the 26th AGM in person, you are advised not to submit a Form of Proxy. If you attend the meeting yourself, your appointed proxy will not be allowed to attend on your behalf.

REVOCAION OF PROXY

If you have submitted your Form of Proxy, either in hard copy or by electronic means prior to the 26th AGM, and subsequently, you have decided to appoint another person or wish to participate in the 26th AGM yourself, please write to Poll Administrator at **proxy@aismartuallearning.com** revoke your earlier appointed proxy(ies) at least forty-eight (48) hours before the 26th AGM or proceed to the Help Desk counter on the 26th AGM day to do your proxy(ies) revocation.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING (CONT'D)

VOTING PROCEDURE

Pursuant to Paragraph 8.31A of Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the voting at the 26th AGM will be conducted by poll. The Company has appointed AI Smartual Learning Sdn Bhd as Poll Administrator to conduct the poll voting and NeedsBridge Advisory Sdn Bhd as Independent Scrutineers to verify and validate the poll results.

SUBMISSION OF QUESTIONS FOR THE AGM

1. Prior to the Meeting

Shareholders may submit questions in relation to the agenda items of the 26th AGM at proxy@aismartuallearning.com. Please submit your questions no later than 11.00 a.m. on Friday, 22 May 2026. The responses to these questions will be shared at the 26th AGM.

2. During the Meeting

You may also speak or raise questions during the meeting.

HEALTH AND SAFETY MEASURES

1. All physical attendees at the Main Venue must be medically fit to attend the 26th AGM. If you have symptoms of being unwell with sore throat, flu, fever, cough or other common symptoms of Covid-19, you are advised not to attend the 26th AGM or you are encouraged to keep your mask on during the Meeting.
2. The Company will take the necessary measures against any of the attendees who do not meet the foregoing health protocols.

PERSONAL BELONGINGS

Please take care of your personal belongings. The Company will not be held responsible for any missing personal belongings.

ADMINISTRATIVE GUIDE FOR ANNUAL GENERAL MEETING (CONT'D)

ENQUIRY

If you have any enquiries prior to the 26th AGM, please contact our Share Registrar during office hours on Monday to Friday, from 9.00 a.m. to 5.00 p.m. (except public holidays), details are stated below:

AI SMARTUAL LEARNING SDN BHD	
Address	23-5, Menara Bangkok Bank, Berjaya Central Park, Jalan Ampang, 50450 Kuala Lumpur, Malaysia.
General Line	017-7700887
Email	proxy@aismartuallearning.com

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

FORM OF PROXY

I/We, _____ (Full Name),

NRIC/Passport/Company No. _____

of _____

being a member/members of **KSL HOLDINGS BERHAD**, hereby appoint * the Chairman of the meeting or:

Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Email:	Contact:		
Address:			

or failing him/her,

Name:	NRIC/Passport No.:	Proportion of Shareholdings	
		No. of Shares	%
Email:	Contact:		
Address:			

* *Strike out if not applicable*

as my/our Proxy(ies) to vote for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held at KSL Resorts, Level G, Infusion Private Room, 33, Jalan Seladang, Taman Abad, 80250 Johor Bahru, Johor, Malaysia on Tuesday, 26 May 2026 at 11.00 a.m. and at any adjournment thereof.

My/Our Proxy(ies) is(are) to vote as indicated below: -

No.	Ordinary Resolutions	For	Against
1.	Approval for the payment of the Non-Executive Directors' Fees and Allowances		
2.	Re-election of Mr. KU HWA SENG (Article 93)		
3.	Re-election of Mr. PANG AH KOW (Article 93)		
4.	Re-election of Ms. TAN SWEE GEOK (Article 93)		
5.	Re-appointment of Messrs. MORISON LC PLT (AF002469) as Auditors of the Company		
6.	Single tier final dividend of 10 sen per ordinary share		
7.	Authority to Issue and Allot Shares		
8.	Renewal of Authority to Issue and Allot Shares for Dividend Reinvestment Plan		

[Please indicate with (X) in the spaces provided how you wish your vote to be casted. If no specific direction as to voting is given above on the Proxy will vote or abstain at his(her) discretion.]

Dated this day of 2026

Email	
Contact No.	
CDS Account No.	
No. of Shares Held	

Signature/Common Seal of Member

Fold this flap for sealing

A. Meeting Venue

- (i) *The 26th AGM will be held on a physical mode whereby member(s), proxy(ies), corporate representative(s) or attorney(s) to attend physically in person at the Meeting Venue.*

Then fold here

B. Appointment of Proxy

- (i) *Members whose names appear in the Record of Depositors as at 8 May 2026 shall be eligible to attend, speak and vote at the 26th AGM.*
- (ii) *A member entitled to attend and vote at the Meeting is entitled to appoint not more than two (2) proxies to attend and vote on his behalf. Where a member appoints two (2) proxies, the member must specify the proportions of shareholdings to be represented by each proxy.*
- (iii) *The instrument appointing a proxy shall be in writing under the hand of the member or of his attorney duly authorised in writing or if the member is a corporation, shall either be executed under its common seal or under the hand of an officer, or its attorney duly authorised in writing.*
- (iv) *Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorized nominee may appoint in respect of each omnibus account it holds.*
- (v) *Where a member of the Company is an authorised nominee as defined under Securities Industry (Central Depositories) Act 1991, it shall not be entitled to appoint more than two (2) proxies to attend and vote at the 26th AGM.*
- (vi) *The instrument appointing a Proxy may be made in hardcopy form or by electronic means as follows and must be deposited not less than forty-eight (48) hours before the time for the Meeting; ie. latest by Friday, 22 May 2026 at 11.00 am:*

Hardcopy

The instrument appointing a Proxy must be deposited at the registered office of the Company at Wisma KSL, 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor, Malaysia not less than forty-eight (48) hours before the time for the Meeting; or

Electronically

The duly completed and executed Form of Proxy may be submitted electronically, through proxy@aismartuallearning.com

fold here

The Company Secretary
KSL HOLDINGS BERHAD
Registration No. 200001008827 (511433-P)
Wisma KSL, 148, Batu 1½,
Jalan Buloh Kasap,
85000 Segamat,
Johor, Malaysia

STAMP

CHAIRMAN'S STATEMENT

Dear Valued Shareholders,

The financial year ended 31 December 2025 (FY2025) was a landmark year of robust execution and expansion for KSL. We achieved record revenue of RM1.51 billion and net profit of RM520.1 million, driven by strong construction progress and higher revenue recognition from ongoing developments.

Our growth is built on a disciplined approach to developing sustainable, community-oriented townships, a hallmark of our legacy spanning over four decades. It is with this discipline that we successfully achieved our highest property sales in history at RM1.35 billion.

Beyond validating the resilience of our operational model, this record performance provides us with the financial strength and confidence to embark on the next phase of expansion.

Our Edge in Johor

The next stage of our growth is driven by Johor's economic transformation, supported by the Johor-Singapore Special Economic Zone (JS-SEZ) and the impending completion of the Rapid Transit System Link in 2026.

According to the Malaysian Investment Development Authority, Johor recorded its highest level of approved investments to date, with RM110 billion in 2025. Such a historic influx of capital is generating a powerful multiplier effect, accelerating population growth, and driving sustained demand for housing.

KSL is well positioned to capture this market momentum. Our competitive advantage in Johor is built on a strong operational presence, leveraging a substantial landbank that is strategically distributed across the JS-SEZ. Our extensive footprint positions us ideally to serve the rising property demand from new demographic inflows in alignment with the State's Maju Johor 2030 vision. This geographic edge is reinforced by our integrated, in-house construction capabilities, ensuring timely delivery to homebuyers while managing industry challenges such as material cost fluctuations and supply chain volatility.

Leadership Through Discipline

Our core strategy remains focused on delivering accessible, high-quality residential products targeted at the most resilient segment of the domestic market, including owner-occupiers, first-time homebuyers, and growing families.

CHAIRMAN'S STATEMENT (CONT'D)

In FY2025, our launches featured a well-calibrated mix of predominantly landed properties and high-rise condominiums, complemented by commercial shops. By pricing homes for the broader demographic, we mitigate exposure to the volatility of the luxury segment while progressively expanding market share.

Financial Performance

Net profit for FY2025 grew 10.2% to RM520.1 million (FY2024: RM472.1 million), while core net profit was sustained at RM407.5 million. In line with this solid performance, the Board has recommended a final dividend of 10.0 sen per share in respect of FY2025, representing a payout of 26.3% of our core net profit.

Complementing our profitability, robust cash flow generation has enabled us to maintain a low net gearing of 0.11x as at 31 December 2025. This financial strength provides ample headroom to fund our next phase of growth.

An Integrated Business: Building for the Future

We continue to accelerate growth while balancing the development returns of our master-planned townships with the resilient, recurring income generated by our retail and hospitality assets.

- **Commencing Our Flagship Riveria Garden**

A major driver of our 2026 outlook is the commencement of our 1,026-acre master-planned township, Riveria Garden, marking the largest development in KSL's history with an estimated Gross Development Value (GDV) of RM15 billion.

Spearheaded by an initial 100-acre phase carrying a GDV of RM2.03 billion, Riveria Garden provides a clear 15-year development runway. This masterplan secures our earnings visibility well into the next decade as we redefine the quality of master-planned community living in Johor.

- **Statewide Townships**

Our development footprint spans across Johor's vital economic hubs, including Pulai, Taman Kempas Indah, Bestari Indah (Ulu Tiram), Nusa Bestari and Mutiara Bestari (Skudai), alongside the established districts of Batu Pahat and Tangkak.

CHAIRMAN'S STATEMENT (CONT'D)

- **Retail and Hospitality**

Our investment properties form a core pillar of our integrated business model, providing resilient cash flows that complement our development activities.

Our flagship retail asset, KSL City Mall in Johor Bahru, maintained 100% occupancy in FY2025, strengthened by the renewal of our anchor tenant, Lotus's.

In the Klang Valley, KSL Esplanade Mall successfully secured Lotus's as an anchor tenant. The mall continues to deliver steady growth, supported by ongoing asset enhancement initiatives, a curated tenant mix, the impending LRT3 completion, and our proactive shuttle bus services.

Meanwhile, our hospitality arm, including KSL Hotel & Resort and KSL Esplanade Hotel, is actively capturing corporate and cross-border demand. Looking ahead, we are actively master-planning our next premier retail asset, a 12-acre integrated commercial development in Nusa Bestari, targeted for 2028.

Driving Sustainable Growth

With a carefully managed landbank, we possess a scalable development pipeline. This extensive landbank runway, led by transformative projects like the RM15 billion Riveria Garden, ensures KSL solidifies its position as a leader in the Malaysian property landscape while providing our shareholders with long-term earnings visibility.

A key pillar of our resilience is the successful diversification into investment properties, providing a buffer against market cycles. I am pleased to highlight that recurring operating profit from our retail, hospitality and supporting assets delivered an improved RM142.0 million. This steady income stream, supported by flagship assets like KSL City Mall and our expanding hospitality arm, complements our development activities and reinforces our Group's profitability.

KSL's integrated business model, spanning from our strategic landbank to our recurring investment property income, provides significant operational stability. Entering FY2026, we are confident of achieving our RM1.6 billion sales target, supported by a solid balance sheet and a targeted launch pipeline of at least RM3.8 billion.

CHAIRMAN'S STATEMENT (CONT'D)

Appreciation

Ultimately, our performance is a testament to the dedication of our people and the trust of our stakeholders. On behalf of the Board, I would like to extend my deepest gratitude to our management team, business partners, customers, and shareholders.

As we embark on a transformative next chapter, we remain committed to building thriving townships and delivering sustainable long-term value.

Sincerely,

Ku Hwa Seng

Executive Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

Overview and Strategic Focus

Leveraging a track record of over four decades, KSL Holdings Berhad has established trust and disciplined value creation as the foundation of its growth. Since inception, the Group has integrated property development with a resilient portfolio of recurring-income investment assets.

Our integrated model, comprising residential sales and recurring income from retail and hospitality properties, ensures KSL remains resilient against broader market fluctuations.

In FY2025, the Group strengthened its development footprint, focusing on large-scale, master-planned townships and commercial precincts serving as vibrant urban hubs in Johor and the Klang Valley.

Our expansion is underpinned by the transformative shifts in our core markets. The formalization of the Johor-Singapore Special Economic Zone (JS-SEZ) is attracting significant foreign direct investment, while the anticipated completion of the Rapid Transit System (RTS) Link in 2026 is driving sustained residential demand from cross-border commuters.

We approach this next phase of growth from a strong operational footing. With a landbank of approximately 4,600 acres as at 31 December 2025, the Group is well-positioned to pace development in line with market demand, ensuring quality homeownership remains accessible to the communities we serve.

Moving forward, we prioritize leveraging our strategic landbank and scaling operations prudently to capture the growth momentum across our operating markets.

Operations Review

At KSL, we believe real estate is fundamentally about building thriving communities. Our project portfolio is managed to ensure every launch fulfils a demonstrated market need, whether providing a first home for young families or commercial space for growing enterprises.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Property Development: Our Core Growth Driver

Property development remains the primary driver of the Group's expansion. Despite industry headwinds such as rising material costs, cost-of-living pressures, and stringent mortgage criteria, KSL delivered strong performance by focusing on residential products within the resilient mass-market segment.

Surpassing our initial RM1.2 billion sales target, we achieved record new property sales of RM1.35 billion, driven by robust market demand and a calibrated launch pipeline.

During the year, the Group executed RM3.57 billion in total launch Gross Development Value (GDV), comprising a mix of predominantly landed properties and high-rise condominiums, while maintaining RM5.74 billion in ongoing GDV under active development.

As at 31 December 2025, the Group's unbilled sales pipeline stood at RM850 million, providing clear earnings visibility through FY2028.

Core Johor Bahru Developments

Our Johor Bahru footprint is strategically positioned to serve the population growth driven by the JS-SEZ and RTS Link.

- **KSL Pulai Bestari:** The 190-acre mixed-development township continues to expand, with Phases 1 and 2A comprising landed cluster and terrace homes.
- **KSL Alma:** A new mixed-use township near the Second Link achieved healthy take-up across its first two phases. Building on this momentum, the Group launched **KSL Ceros Residences** in Gelang Patah in Q3 2025, a 1,148-unit high-rise project with a GDV of RM500.0 million.
- **Taman Kempas Indah:** A primary asset in our Johor operations, the township introduced **D' Secret Garden 2**, a multi-phase high-rise development comprising 3,352 units tailored for young professionals and families.
- **Mature Townships:** Established projects such as **Taman Bestari Indah** (Ulu Tiram), **Nusa Bestari**, and **Mutiara Bestari** (Skudai) continued to yield consistent results, with **Bestari Indah's** Zone D Phase 3A achieving healthy take-up.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

- **KSL Azalea Heights:** Phase 2C within Taman Puncak Tropicana delivered sustained contributions, with 628 double-storey terrace homes highly sought after by cross-border commuters and local professionals.



Broader Johor Growth Corridors

Complementing metropolitan projects in the JS-SEZ, KSL's state-wide presence meets residential demand across Johor's key growth areas:

- **Taman Mengkibol, Kluang:** Continued steady demand, particularly through integrated Rumah Mampu Milik Johor (RMMJ) affordable housing phases.
- **Taman Cemerlang, Tangkak:** Emerging demand for modern residential townships.
- **Taman Tasik Sejati @ Yayasan, Segamat:** A 100-acre development targeting buyers seeking quality landed homes.
- **Taman Banang Jaya, Batu Pahat:** Strong sales progress, with successful handover completed in Q1 2026.

Industrial and Non-Residential Expansion

Recognizing the rapid growth in manufacturing and supply chain logistics across Johor, KSL expanded its industrial footprint in FY2025 with the launch of KSL Business Park in Ulu Tiram.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Carrying a GDV of RM450 million, the development features highly functional layouts that accommodate a wide range of light industrial and commercial activities. Strategically located near mature townships and major highways, it establishes a dynamic industrial hub that will capture rising demand for modern manufacturing and logistics spaces.

Deepening Presence in The Klang Valley

Complementing our foundation in Johor, the Klang Valley continues to be an essential growth market for the Group. The ongoing development of the 448-acre **Bandar Bestari township in Klang**, comprising the **Canary Garden** and **Raintree Residences** projects, ensures the Group effectively captures demand in the central region.

In 2025, we successfully launched the **KSL Blossom Square** retail shops, further strengthening the mixed-use character of the township and drawing an encouraging market response.

Property Investment: Active Asset Management

Our property investment segment continues to generate strong cash flows that complement our development activities. During FY2025, our operational focus centred on active asset management, tenant curation, and infrastructure enhancements to drive sustained footfall and optimize yields.

- **Integrated Hospitality Offerings**

Our hospitality portfolio is led by KSL Hotel & Resort and KSL Hot Spring Resort in Johor, alongside KSL Esplanade Hotel in Klang.

Throughout FY2025, we actively captured corporate MICE demand, domestic tourism, and cross-border visitors.

- **KSL City Mall (Johor Bahru)**

Our flagship retail asset remains a preferred destination for residents and international visitors. Located just 3 kilometres from the Johor Bahru CIQ Complex, the mall features 450,000 square feet of net lettable area and approximately 500 retailers.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

We continuously elevated the retail experience by onboarding a curated selection of community-centric brands that drive sustained footfall. As a result of active tenant management, the mall maintained a 100% occupancy rate throughout FY2025.

A key operational milestone was the lease renewal of our anchor tenant, Lotus's, securing a positive rental reversion effective 2026. Infrastructure upgrades included a seamless cashless parking system and designated EV charging bays, enhancing convenience and elevating the shopper journey.

- **KSL Esplanade Mall (Klang Valley)**

In its first full operational year, KSL Esplanade Mall saw better performance across 650,000 square feet of net lettable area. We intensified experiential marketing and seasonal campaigns to drive footfall.

Performance is set to improve further with Lotus's entry as a major retail anchor in early 2026, complemented by a curated tenant mix focused on experiential retail and essential services. Occupancy is progressively moving towards stabilization in 2026. Ahead of the LRT3 completion, we introduced complimentary shuttle bus services to enhance accessibility and shopper convenience.

Financial Performance

KSL delivered record results in FY2025 underpinned by strong property sales, timely construction milestones, and steady contributions from investment properties.

Group revenue rose 10.0% to RM1.51 billion (FY2024: RM1.38 billion) on the successful completion of major project phases. Gross profit increased to RM798.2 million, with a healthy margin of 52.7%, supported by efficient in-house construction and management of raw material and labour costs.

The top-line growth was driven by the Group's two primary pillars. Property Development remained the core contributor, generating RM1.24 billion or 81.8% of Group revenue. Simultaneously, Property Investment achieved revenue of RM274.7 million, representing 18.1% of Group revenue, supported by positive rental reversions at KSL City Mall and KSL Esplanade Mall, and higher hospitality occupancy.

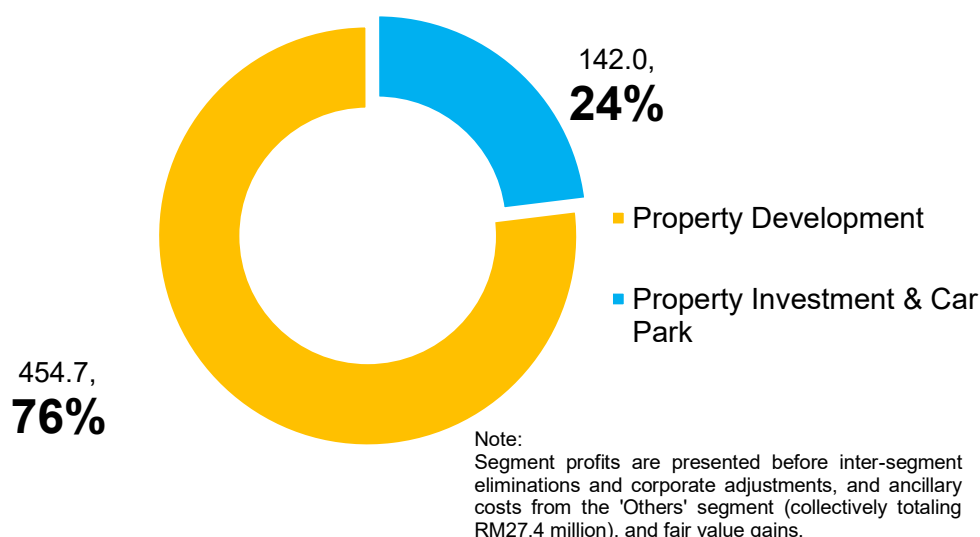
MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Group operating profit, excluding fair value gains, amounted to RM569.3 million (FY2024: RM569.0 million).

The property development segment contributed RM454.7 million, driven by efficient project execution and rigorous cost controls. Complementing this, the property investment segment and supporting car park operations contributed an improved RM142.0 million, excluding fair value gains.

These core segment results are presented prior to net consolidation adjustments and other ancillary costs totalling RM27.4 million, which remained immaterial to the Group's performance.

Operating Profit by Core Segment (RM 'mil)



Net profit expanded 10.2% to RM520.1 million (FY2024: RM472.1 million), which includes a fair value gain on investment properties. Excluding the net-of-tax fair value gain of RM112.6 million, the Group's core net profit stood resilient at RM407.5 million (FY2024: RM422.3 million), reflecting preparatory expenses and higher finance costs in line with an expanded FY2026 launch pipeline.

Based on the sustained performance, the Board proposed a final dividend of 10 sen per share, amounting to RM107.3 million and representing a 26.3% payout of core net profit.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

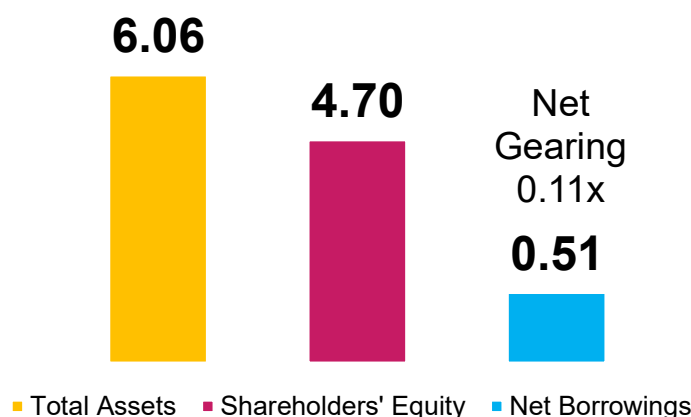
Financial Position

The Group maintained a strong balance sheet, prioritizing stability alongside the flexibility to pursue value-accretive opportunities.

Shareholders' equity expanded to RM4.70 billion (FY2024: RM4.18 billion), bringing net assets per share to RM4.38. The enlarged equity base supported a 21.1% growth in total assets to RM6.06 billion (FY2024: RM5.00 billion), led by increased land holdings and cash reserves.

Gross borrowings stood at RM831.7 million (FY2024 : RM417.7 million) to fund ongoing projects and the significant launch pipeline for FY2026. After factoring in cash and bank balances of RM321.3 million, net borrowings stood at RM510.4 million, resulting in a low net gearing of 0.11x and providing ample liquidity and debt headroom.

Financial Resilience (RM 'bil)



Operational Resilience & Risk Management

The Group manages sector risks, including supply chain volatility and rising labour costs, through its integrated in-house construction capabilities and modular techniques. This model protects operations, ensures timely handovers, and provides a distinct operational advantage.

To safeguard long-term resilience, climate-conscious planning is progressively integrated into township designs, enhancing sustainability and community protection.

Sustainability and Community Impact

Sustainability remains a key pillar of KSL's strategy. Environmental considerations are embedded into design and procurement, while inclusive housing policies are seamlessly integrated into masterplans.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

In FY2025, the Group continued to deliver affordable housing under the RMMJ program, reinforcing its role as a partner in Johor's housing mission and contributing to equitable community development.

Building on Our Momentum

KSL's community-centric developments form the foundation for the next phase of growth. Entering FY2026, the Group is well prepared to meet market demand, supported by a stable Overnight Policy Rate (OPR) and propelled by the tailwinds of the JS-SEZ and RTS Link.

The Group's momentum is backed by a property sales target of RM1.6 billion for 2026, supported by a launch pipeline of at least RM3.8 billion GDV.

Major developments to be launched in 2026 include the Austin Legacy serviced apartments (RM580 million GDV), Pulai Bestari Phase 4 (RM160 million GDV), Bestari Indah Aurora 5 (RM198 million GDV), and the Bestari Alma township (RM360 million GDV).

Furthermore, the Group is advancing the 1,026-acre Riveria Garden masterplan in Iskandar Puteri, its largest development to date with an estimated GDV of RM15 billion over a 15-year horizon. Following the overwhelming performance to the Aluna precinct in the first quarter of 2026, upcoming launches will include the Riverhaus serviced apartments (RM1.1 billion GDV), Riverpoint commercial hub (RM130 million GDV), and the Elora township (RM340 million GDV).

Simultaneously, the Group is master-planning a flagship 12-acre mixed-use precinct in Nusa Bestari, integrating retail, hospitality, and residential components.

Outlook

As Johor enters a transformative era, the Group follows a clear strategy to scale core residential townships, expand integrated masterplans, and strengthen recurring income streams.

Backed by a robust balance sheet and disciplined execution, the Group is committed to delivering enduring homes for communities and sustainable, long-term value for stakeholders.

PROJECT AND OPERATIONAL HIGHLIGHTS

Despite the challenging conditions in the property sector, KSLH delivered commendable performance during the year under review.

A. PROPERTY DEVELOPMENT

Property development remained the Group's primary revenue contributor during the year under review. Revenue from this segment amounted to RM1,217 million in FY2025, reflecting a notable increase compared to RM1,120 million in 2024.

During the year, KSLH highlighted several ongoing projects at various stages of construction in Johor and Selangor.

A.1 JOHOR BAHRU

A.1.1 Taman Bestari Indah

Taman Bestari Indah is a mixed development township featuring both residential and commercial buildings. Located approximately 20 kilometres from Johor Bahru City Centre, the township enjoys excellent connectivity via the Tebrau Highway, Pasir Gudang Highway, and Senai-Desaru Highway.

Residents benefit from a wide range of nearby amenities, including shopping complexes such as AEON and Tesco, recreational facilities like Johor Jaya Sports Complex, Austin Hill Country Club, and Ponderosa Golf & Country Club, as well as medical centres including Government Hospital Sultan Ismail. Educational institutions such as Sunway College and Institute KTC further enhance the township's appeal.

Zone D Phase 3A, comprising 153 units of two-storey terrace houses, was fully completed in third quarter of 2025. Zone F Phases 1 and 2, collectively known as Aurora, consist of 398 units of two-storey terrace houses are currently under construction, with completion targeted for the fourth quarter of 2026. Zone F Phase 3 is also under active construction, with completion scheduled for the third quarter of 2027.

A.1.2 Pangsapuri @ Bukit Gemilang

KSL Bukit Gemilang was officially launched in January 2023. This high-rise residential and commercial development comes with a 991-year leasehold tenure. Located in Taman Bukit Gemilang, Skudai, the project comprises two apartment towers featuring 476 units ranging from 850 sq.ft. to 915 sq.ft., alongside 24 ground-floor shop lots spanning 1,876 sq.ft. to 3,634 sq.ft..

The development offers convenient access to major highways, including the North-South Expressway, Skudai-Pontian Highway, and the Second Link Expressway. Nearby amenities include Lotus's, Mydin, Sutera Mall, and Paradigm Mall Johor Bahru, while healthcare facilities such as Columbia Asia Hospital and Gleneagles Medini Hospital are within a 15-minute drive.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.1 JOHOR BAHRU (cont'd)

The residential units feature modern three-bedroom layouts designed for comfort and practicality. Lifestyle facilities include a swimming pool, gym, playground, multipurpose hall, and 24-hour security. The project was fully completed in the third quarter of 2025 and has been awarded the CCC.

A.1.3 KSL Pulai Bestari



KSL Pulai Bestari is a 190-acre mixed-development township featuring both residential and commercial properties, designed to provide a full range of amenities and facilities for residents. The township is strategically located in Pulai, Johor, a beautiful residential area that offers easy access to the Skudai-Pontian Highway.

Phase 1, launched in June 2023, comprised 183 units of two-storey terrace houses and was fully completed in the second quarter of 2025, with CCC awarded. Phase 2A, launched in March 2024, introduced 325 units of two-storey cluster houses featuring spacious car porches and 15-foot-high ceilings. This phase is scheduled for completion by the first quarter of 2026.

Phase 3, comprising 240 units of double-storey terrace houses, was launched in the third quarter of 2025. The township remains well-positioned for sustained growth, supported by a robust pipeline of future developments.

A.1.4 KSL Alma

KSL Alma spans 84 acres and represents a vibrant mixed-use township adjacent to Stadium Sultan Ibrahim and the Malaysia-Singapore Second Link. Designed to integrate modern high-rises, landed homes, commercial lots, and lifestyle facilities, the development offers residents a balanced blend of comfort and convenience.



PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.1 JOHOR BAHRU (cont'd)

Phase 1 and Phase 2, launched in January 2025, comprise two types of double-storey terrace houses with a total of 329 units. Phase 1 was awarded CCC in the third quarter of 2025, while Phase 2 achieved CCC in the first quarter of 2026.

A.1.5 KSL Ceros Residences

KSL Ceros Residences is a 1.33-hectare integrated development located in Gelang Patah, featuring two blocks of serviced apartments alongside 17 exclusive commercial lots. Designed for modern living, the project offers 1,148 residential units ranging from 506 sq. ft. to 883 sq. ft..

The project is strategically positioned along the Malaysia-Singapore Second Link, the development provides excellent accessibility and is surrounded by schools, business hubs, neighborhood commercial lots, banks, and medical facilities. Completion is targeted for 2027.

A.1.6 Taman Puncak Tropicana

KSL Azalea Heights is a double-storey terrace house development located in Taman Puncak Tropicana by KSL Group. Its prime location offers excellent connectivity, with direct access to the Malaysia-Singapore Second Link, making it particularly attractive for frequent commuters.

The project is divided into multiple phases and comprises a total of 803 double-storey terrace houses. Phase 2C and Phase 5 were officially launched in June 2024, followed by Phase 2A in January 2025 and Phase 2B in August 2025.

A.1.7 Taman Kempas Indah

Taman Kempas Indah is a well-planned 237-acre township in Johor Bahru, offering a mix of bungalows, cluster houses, and serviced apartments. With seamless connectivity to key locations such as the North-South Expressway, EDL Highway, and the Customs, Immigration & Quarantine Complex (CIQ) to Singapore, residents enjoy convenient travel and accessibility.

Building on the success of D'Secret Garden, the Group launched D'Secret Garden 2 in this vibrant location. Designed to cater to young professionals, families, and Malaysians working in Singapore, D'Secret Garden 2 offers thoughtfully planned layouts, contemporary finishes, and a comprehensive range of facilities. The development comprises 3,352 serviced apartment units ranging from 420 sq. ft. to 893 sq. ft., alongside 37 retail shop units, providing residents with both quality living and enhanced convenience.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.1 JOHOR BAHRU (cont'd)

A.1.8 KSL Jewel @ Plentong



KSL Jewel is located within one of Johor Bahru's most established townships, offering residents a wide array of surrounding services and amenities. The development is well connected via major routes including Jalan Kota, JB East Coast Parkway, the North-South Expressway, and Pasir Gudang Highway.

The Jewel Apartments feature modern amenities, stylish interiors, and a variety of floor plans to suit diverse lifestyles. Designed for those seeking a home in the prime township of Plentong, the project comprises two 36-storey towers with a total of 864 serviced apartment units ranging from 506 sq. ft. to 915 sq. ft., complemented by 18 retail shop units.

A.1.9 KSL Business Park @ Dato Chellam

KSL Business Park is a leasehold industrial and commercial development spanning approximately 105 acres. The project comprises 313 units, including cluster factories, semi-detached factories, bungalow factories, retail warehouses, and double-storey factory units. Strategically located beside Puteri Wangsa and adjacent to the Senai-Desaru Exit 2204, the development provides excellent highway accessibility and is surrounded by ample amenities and public facilities, making it an ideal hub for business growth.



PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.1 JOHOR BAHRU (cont'd)

A.1.10 KSL Lakeview @ Ponderosa



KSL Lakeview offers a lifestyle where luxury meets practicality, complemented by a wide range of amenities including financial services, daily essentials, medical facilities, and educational institutions. Thoughtfully designed to harmonize with nature, the development features a serene lake and lush landscaping, creating an elevated city living experience.

Rising 34 storeys with 1,200 units serviced apartments are located within the prime township of Ponderosa. Residents enjoy convenient access to surrounding services and amenities, as well as excellent connectivity via Jalan Pandan, the Eastern Dispersal Link (EDL), the North-South

Expressway, and Pasir Gudang Highway. Situated along Jalan Ponderosa 3, the development is easily accessible through EDL Exit 1404B to Jalan Tebrau via the Pandan Interchange. The EDL also connects directly to the North-South Highway and the Customs, Immigration & Quarantine Complex (CIQ), reducing travel time to CIQ to just 15 minutes.

A.1.11 KSL Austin Legacy

KSL Austin Legacy introduces modern living in the vibrant heart of Taman Seri Austin, where tranquility meets accessibility. The development comprises two residential towers with a total of 1,280 thoughtfully designed serviced apartment units.

Residents benefit from proximity to trendy cafés, restaurants, shopping destinations, and entertainment hubs, while its location near Eco Business Park makes it an ideal residence for professionals working in the area. Connectivity is further enhanced with direct access to the EDL Highway via Bandar Dato Onn. The project is scheduled to be launched in 2026.



PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.2 KLUANG

A.2.1 Taman Mengkibol

Taman Mengkibol is a sprawling 249-acre township featuring single-storey terrace houses, double-storey terrace houses, affordable homes under the “Rumah Mampu Milik Johor (RMMJ)” program, as well as double-storey and three-storey shop offices. Located just 3 kilometers from Kluang Town, the township enjoys excellent accessibility via the North-South Highway and several main roads, including Jalan Batu Pahat, Jalan Besar, and Jalan Mengkibol from Ayer Hitam, as well as Jalan Simpang Renggam and Jalan Kluang Renggam from Simpang Renggam.

Residents benefit from nearby commercial complexes such as Dees Mart, Target Grand Hypermarket, and Lotus Hypermarket, all within 3 kilometres, while Kluang Mall, Kluang Parade, Target Hypermarket, AEON Big Hypermarket, and Econsave Hypermarket are located within a 5–8 kilometre radius.

The Group is developing Taman Mengkibol in multiple phases. As of 2025, 237 units under the RMMJ program are under construction, with completion targeted for the second quarter of 2026. A new phase of double-storey terrace houses is also planned for launch in 2026.

A.3 SEGAMAT

A.3.1 Taman Tasik Sejati @ Yayasan, Segamat

Taman Tasik Sejati is a 100-acre township development located in the growing precinct of Taman Yayasan, Segamat, Johor. Situated approximately 10 minutes from Segamat town centre, the development enjoys excellent accessibility via the Kuantan Highway and is supported by established surrounding amenities, including retail outlets and dining options.

The township offers a diverse range of residential properties, comprising double-storey cluster houses, single-storey terrace houses, and double-storey terrace houses, catering to varied market needs. Its strategic location and connectivity to major routes linking Segamat, Kuantan and Kuala Lumpur enhance its appeal to both homeowners and investors.

In 2025, we successfully completed 106 units of Rumah Mampu Milik Johor. Construction of 95 units of single-storey terrace houses is currently in progress and targeted for completion by the second quarter of 2026.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.3 SEGAMAT (cont'd)

A.3.2 Taman Pesona @ Kg Tengah

Taman Pesona is a residential development spanning 4.8867 acres of freehold land in Kg Tengah, Segamat, Johor. Surrounded by established housing schemes, the project offers a green environment that promotes fresh air and a healthy lifestyle for residents. It comprises 61 units of various residential types.

The project is scheduled for completion by the first quarter of 2026.

A.4 BATU PAHAT

A.4.1 Taman Banang Jaya

Taman Banang Jaya is a 41.84-acre mixed development located along Jalan Tanjung Labuh, Batu Pahat, Johor. It is surrounded by established neighbourhoods, including Taman Banang Jaya and Taman Evergreen Heights, with Taman Bukit Floral 1 & 2 situated behind.

The project comprises 57 units of double-storey shop offices and 322 units of double-storey terrace houses, with an estimated gross development value (GDV) of RM250 million. Strategically positioned along a main road within an established neighbourhood, the development benefits from good accessibility and proximity to key amenities, enhancing its attractiveness to both commercial and residential segments. The project is scheduled for completion by the first quarter of 2026.

A.5 TANGKAK

A.5.1 Taman Cemerlang

Taman Cemerlang is a freehold mixed residential development located in Pekan Rawang, Tangkak, Johor, spanning approximately 8.28 acres with an estimated GDV of RM38 million. The project comprises 91 units of various residential types.

Situated within an established neighbourhood and adjacent to an existing residential area, the development benefits from proximity to educational institutions, higher learning centres, healthcare facilities, and financial services, enhancing its overall appeal to homebuyers.

The project is scheduled for completion by the first quarter of 2026.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.6 SELANGOR

A.6.1 Bandar Bestari @ Klang

Bandar Bestari, a 448-acre integrated township in Klang, continued to strengthen its position as a premier residential and commercial hub during 2025. The township offers a distinctive mix of premium landed homes, strata properties, and a 90-acre retail and commercial zone that supports community living with facilities such as a private clubhouse, schools, and commercial amenities. Its strategic location, approximately 44 km southwest of Kuala Lumpur City Centre and 8 km from Klang town, ensures accessibility via the KESAS Highway and Jalan Klang-Banting.

Surrounding developments such as Bayuemas, Bandar Parklands, Taman Perindustrian Air Hitam Phases 1 & 2, Taman Sijangkang Jaya, Taman Perwira and Taman Seri Medan, together with landmarks like Indah Water Konsortium and Orchids Apartment, continued to enhance the vibrancy of the neighborhood. The township remained well-served by shopping, educational, recreational, and public facilities throughout the year.

A.6.1 (a) Canary Garden

Canary Garden Homes, designed to harmonize serenity and convenience, continued to stand as a hallmark of luxury living in Bandar Bestari. The 52-acre French-inspired garden remained a centerpiece, offering residents nature-focused recreation and leisure.

In 2025, construction of Bandar Bestari Phase 3A (Green Pine), comprising 102 units of 2-storey cluster and semi-detached houses, was completed in the first quarter of the year. Concurrently, the Group strategically prepared for the launch of Bandar Bestari Phase 3B, featuring semi-detached and cluster houses, as well as Bandar Bestari Rumah Harapan, aimed at providing affordable housing solutions. These initiatives underscored the Group's commitment to serving diverse market segments and enhancing community inclusivity.

A.6.1 (b) Raintree Residences

Raintree Residences, a high-rise residential and retail development adjacent to Canary Garden, advanced steadily during 2025. The project comprises three 25-storey residential towers with lifestyle amenities including a gymnasium, swimming pool, and children's playground.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

A. PROPERTY DEVELOPMENT (cont'd)

A.6 SELANGOR (cont'd)

A.6.1 (b) Raintree Residences (cont'd)

Phase 1 (Block A and retail lots) remained on track for completion in the second quarter of 2026, while Phase 2 Block B is scheduled for completion in the first quarter of 2027. The development continued to demonstrate strong progress, reinforcing Bandar Bestari's growth trajectory and long-term expansion plans.

A.6.2 KSL Blossom Square @ Setia Alam



KSL Blossom Square, a freehold mixed development spanning approximately 18 acres in Setia Alam City Centre, continued to expand during 2025. The project comprises six residential towers complemented by a row of retail shop offices, with convenient access from Kuala Lumpur City Centre via the NKVE Highway.

In 2025, the Group successfully launched the KSL Blossom Square retail shops, further enhancing the mixed-use character of the development. The surrounding neighborhood, with its shopping centers, educational institutions, and recreational facilities, supported the project's appeal and contributed to its ongoing growth.



B. PROPERTY INVESTMENT

Property investment continued to be an important driver for the Group, contributing RM269 million in revenue, which accounted for 18% of the Group's total revenue.

B.1 KSL City Mall

KSL City Mall, with its impressive gross floor space of 1 million square feet, ranks among the largest malls in Johor. The mall houses 500 upmarket lifestyle outlets, comprising 442 retail shops, 50 food and beverage outlets, and an 8-screen cineplex, offering visitors a comprehensive retail and entertainment experience.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

B. PROPERTY INVESTMENT (cont'd)

B.2 KSL Hotel & Resort

KSL Hotel & Resort Johor Bahru is the largest integrated resort in Johor, strategically located in the heart of the city center within Iskandar Puteri. The hotel offers 904 rooms across a variety of categories, including Superior, Deluxe, Premier Deluxe King, Grand Super King, and Suites, catering to both leisure and business travellers.

The resort features a Grand Ballroom with a capacity of up to 800 guests, two additional ballrooms, and nine meeting rooms to accommodate events of varying scale. Guests enjoy a wide range of amenities, including an international cuisine restaurant, a dinosaur-themed park, rooftop pool, golf simulators, gymnasium, and sauna. Seamlessly integrated with KSL City Mall, the hotel provides direct access to retail outlets and a cinema, delivering a distinctive “shop-and-stay” experience.

B.3 KSL Hot Spring Resort

KSL Hot Spring Resort offers 308 rooms across four categories of rooms and suites, each designed to provide a modern and comfortable environment for relaxation and rejuvenation.

The resort distinguishes itself as the first hospitality establishment in Johor to promote healthy living through “onsen water” enriched with natural essences, offering guests a unique wellness experience alongside contemporary facility.

B.4 KSL Esplanade Hotel & Mall, Klang

The KSL Esplanade Mall, an integrated commercial podium comprising retail shops, a department store, cinemas, car parks, a 4-star hotel, and serviced apartments, continued to operate actively throughout 2025. Featuring more than 300 local and international outlets, the mall offered shopping, dining, entertainment, and leisure experiences, complemented by an alfresco dining area that connects seamlessly to the public park.

During the year under review, the mall and hotel complex contributed positively to Klang’s socio-economic environment by creating employment opportunities and fostering community development. The KSL Esplanade Hotel, with 403 rooms across four categories, provided a modern and luxurious setting for both business and leisure travelers.

The KSL Convention Centre, located within the hotel, had been completed at the end of 2024 and operated throughout 2025. It hosted a range of events and conventions, strengthening the integrated complex’s role as a hub for business and community activities. Overall, the entire development, which became fully operational in 2024, continued to deliver strong value and sustained growth during 2025.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

C. GROWTH STRATEGIES

The Group remains committed to sustaining profitability across its property development and investment segments while actively pursuing opportunities to drive long-term growth. Supported by a strong balance sheet and a strategically located landbank, KSLH continues to reinforce operational resilience and expand its portfolio to deliver sustainable value for stakeholders.

C.1 Property Development

The property industry continues to face challenges, including rising construction costs, supply chain disruptions, labor shortages, and elevated interest rates. In response, the Group has adopted a cautious approach to project planning, emphasizing capacity building, expertise enhancement, and management efficiency. In FY2026, the Group is advancing a launch pipeline of approximately RM3.8 billion, anchored by a property sales target of RM1.6 billion. Key launches including Austin Legacy serviced apartments, Pulau Bestari Phase 4, Bestari Indah Aurora 5, and Bestari Alma township are positioned to capture mass-market demand and cross-border commuters. A major milestone is the commencement of Riveria Garden in Iskandar Puteri, a 1,026-acre integrated township with an estimated GDV of RM15 billion, offering a 15-year development horizon.

C.2 Property Investment

The Group continues to strengthen its investment property portfolio through targeted promotional and marketing initiatives, including events and roadshows, to drive patronage at its flagship assets—KSL City Mall & Hotel, KSL Hot Spring Resort, and KSL Esplanade Hotel & Mall Klang. In collaboration with tourism stakeholders, we are actively supporting the recovery of Malaysia's tourism sector, particularly in Johor Bahru and Klang. Concurrently, the Group is exploring opportunities to expand its investment property portfolio, reinforcing recurring income streams and capitalizing on Malaysia's improving economic outlook.

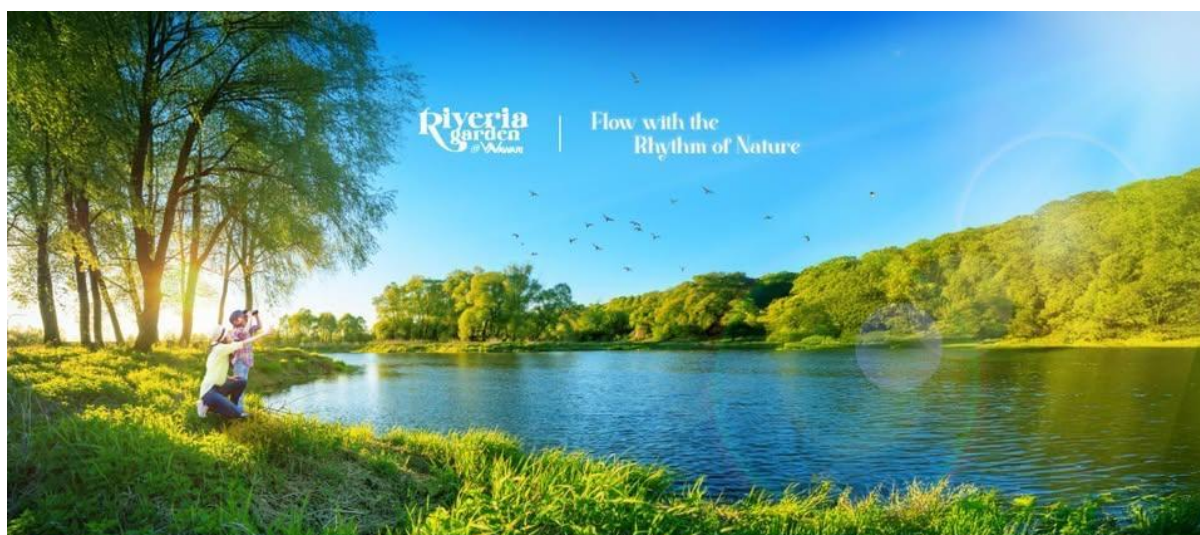
D. LAND BANKING

As at 31 December 2025, the Group approaches its next phase of growth from a position of strength, underpinned by a robust landbank of approximately 4,600 acres strategically located across Johor and Klang. Comprising both legacy holdings and newly acquired tracts, this portfolio provides flexibility to pace development in line with market demand, ensuring quality homeownership remains accessible to the communities we serve. Supported by a solid balance sheet, the Group will continue to evaluate strategic acquisitions to reinforce its development pipeline and sustain long-term growth.

PROJECT AND OPERATIONAL HIGHLIGHTS (CONT'D)

E. CONCLUSION

The Group remains dedicated to enhancing shareholder value through strategic growth, operational excellence, and sustainable initiatives. By adapting to evolving market conditions and leveraging opportunities across residential, commercial, industrial, and integrated developments, we are confident in our ability to deliver continued success and long-term resilience.



FIVE YEARS GROUP FINANCIAL HIGHLIGHTS

		Year Ended 31 December				
		2021	2022	2023	2024	2025
INCOME STATEMENT						
Revenue	<i>RM Million</i>	467.8	575.0	1,141.6	1,376.7	1,514.7
Profit Before Taxation	<i>RM Million</i>	140.7	217.2	535.0	619.4	678.8
Profit Attributable to Shareholders	<i>RM Million</i>	114.4	179.5	416.8	472.1	520.1
BALANCE SHEET						
Issued and Paid Up Capital	<i>Million Unit</i>	1,037.5	1,037.5	1,037.5	1,037.5	1,093.7
Shareholders' Equity	<i>RM Million</i>	3,116.1	3,295.7	3,712.8	4,184.6	4,697.6
SHARE INFORMATION						
Basic Earnings Per Share	<i>Sen</i>	11.25	17.65	40.98	46.41	48.46
Dividend Per Share - Gross	<i>Sen</i>	-	-	-	-	-
Net Assets Per Share	<i>RM</i>	3.06	3.24	3.65	4.11	4.38
Return on Shareholders' Equity	<i>%</i>	4%	5%	11%	11%	11%

DIRECTORS' PROFILE

KU HWA SENG

*Executive
Chairman*

Ku Hwa Seng, aged 70, male, Malaysian, was appointed to the Board on 19 November 2001 as an Executive Director and was subsequently appointed as the Executive Chairman of KSL Holdings Berhad (“KSLH” or “the Company”) on 24 February 2011.

He joined the KSLH Group in 1981 and has since gained invaluable experience while building a strong business network in the property development industry over the past three decades. Currently, he plays a key role in the KSLH Group’s business development and operations in South Johor. He oversees the day-to-day management, decision-making, and operations of the Johor Bahru office. Additionally, he serves as a director for most of the KSLH Group’s subsidiaries, as well as several other private limited companies.

He is deemed to have certain conflict of interest with the Company by virtue of his interest in certain privately owned companies, which are also involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

Ku Hwa Seng is brother to Khoo Cheng Hai @ Ku Cheng Hai, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. He does not hold any directorships in other public companies. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILE (CONT'D)

KHOO CHENG HAI @ KU CHENG HAI

Khoo Cheng Hai @ Ku Cheng Hai, aged 75, male, Malaysian, is the founder of the KSLH Group. He was appointed to the Board on 19 November 2001 as the Group Managing Director.

Group Managing Director

Member of Risk Management Committee

He is the driving force behind the development, growth, and expansion of the KSLH Group. Renowned for his prudence, foresight, and business acumen, he has successfully guided the KSLH Group through two economic recessions and the challenges of the COVID-19 pandemic over the past three decades. With extensive experience, he oversees the Group's business development and manages its day-to-day operations. He also serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

He is deemed to have certain conflict of interest with the Company by virtue of his interest in certain privately owned companies, which are also involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

Khoo Cheng Hai @ Ku Cheng Hai is brother to Ku Hwa Seng, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. He does not hold any directorships in other public companies. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

KU TIEN SEK

Ku Tien Sek, aged 69, male, Malaysian, was appointed to the Board on 19 November 2001 as an Executive Director.

Executive Director

He has been a vital part of the KSLH Group's management since 1981, playing a key role in public relations and the formulation of strategic plans and policies. With his visionary leadership and deep industry expertise, he has been instrumental in shaping the Group's growth and success. Currently, he is actively involved in business development and operations in the Klang Valley while also leading the planning of the Group's future expansion. His strategic foresight continues to drive the company forward. He serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

DIRECTORS' PROFILE (CONT'D)

He is deemed to have certain conflict of interest with the Company by virtue of his interest in certain privately owned companies, which are also involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

Ku Tien Sek is brother to Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. He does not hold any directorships in other public companies. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

KHOO LEE FENG

Executive Director

Khoo Lee Feng, aged 39, female, Malaysian, was appointed to the Board on 1 January 2024 as an Executive Director.

Since 2010, she has been actively involved in the administration and operations of the Group, stepping into a management role in 2011. With her fresh perspective and forward-thinking approach, she has played a key role in driving business development, streamlining operations, and shaping the Group's strategic direction. Her contributions have been instrumental in the Group's continued growth and success. She serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

She is deemed to have certain conflict of interest with the Company by virtue of her interest in certain privately owned companies and holding companies, which are also directly or indirectly involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

She is a daughter of Khoo Cheng Hai @ Ku Cheng Hai, niece of Ku Hwa Seng, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. She does not hold any directorships in other public companies. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILE (CONT'D)

KU EK MEI

Executive Director

Ku Ek Mei, aged 44, female, Malaysian, was appointed to the Board on 1 January 2024 as an Executive Director.

Since joining the KSLH Group in 2004, she has been a driving force behind the company's sales and administration. Stepping into a management role in 2011, she has played a pivotal role in accelerating the Group's growth through her innovative strategies and business acumen. Her expertise in sales and market expansion has significantly contributed to the Company's success. Currently, she is actively involved in business development and administration, shaping the Group's future with a strong focus on sales and sustained growth. She serves as a director for most of the KSLH Group's subsidiaries, as well as several other private limited companies.

She is deemed to have certain conflict of interest with the Company by virtue of her interest in certain privately owned companies and holding companies, which are also directly or indirectly involved in property development business. However, these privately owned companies are not in direct competition with the business of the Company.

She is a daughter of Ku Hwa Seng, niece of Khoo Cheng Hai @ Ku Cheng Hai, Ku Tien Sek and Ku Wa Chong, who are the Directors and/or the substantial shareholders of the Company. She does not hold any directorships in other public companies. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

TAN KAI SENG

*Executive Director
(Finance Manager)*

Tan Kai Seng, aged 53, male, Malaysian, was appointed to the Board on 1 January 2024 as an Executive Director (Finance Manager).

He has been involved in the accounting department of the KSLH Group since 2002. He is responsible for the accounting work and planning of the KSLH Group. He is not a director of any of the subsidiary companies within the KSLH Group.

Tan Kai Seng does not hold any directorships in other public companies. He does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which he has personal interest. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILE (CONT'D)

PANG AH KOW

Independent Non-Executive Director
Chairman of Audit Committee and
Risk Management Committee
Members of Nomination Committee
and Remuneration Committee

Mr Pang Ah Kow, aged 69, male, Malaysian, was appointed to the Board on 1 December 2022 as an Independent Non-Executive Director.

He is a member of the Malaysia Institute of Accountants, the Malaysia Institute of Certified Public Accountants, the Chartered Accountants Australia and New Zealand and a fellow of Fellow of the Malaysian Institute of Taxation. He holds a Bachelor of Commerce from University of Canterbury, Christchurch, New Zealand.

In 1990, he founded the audit firm Messrs. A.K. Pang & Co., which has since grown to include branches in Segamat and Kluang, Johor. Today, he remains the sole proprietor of the firm, bringing his extensive experience and expertise to his clients.

Prior to founding Messrs. A.K. Pang & Co., Mr Pang Ah Kow worked at Messrs. Ernst & Young in Singapore, Kuala Lumpur, and Sandakan offices. Through his work in these offices, he gained a deep understanding of auditing and financial advisory services, which he has since leveraged to build a successful practice of his own.

Mr Pang Ah Kow does not hold any directorships in other public companies. He does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which he has personal interest. He has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILE (CONT'D)

TAN SWEE GEOK

*Independent Non-Executive Director
Chairman of Nomination Committee*

*Members of Audit Committee,
Remuneration Committee and Risk
Management Committee*

Ms Tan Swee Geok, aged 70, female, Malaysian, was appointed to the Board on 1 December 2022 as an Independent Non-Executive Director. She holds a Diploma in Education, University of Malaya and Degree in Business, BA (Econ)(Hons), University of Malaya.

Since 1988, Ms Tan Swee Geok has been a valued member of her husband's legal firm Messrs. Lee Fook Leong & Co., where she has played an integral role in the management and administration of offices in Segamat, Tangkak, Johor Bahru, Klang, and TTDI, Kuala Lumpur. In addition to her administrative responsibilities, she has also provided crucial support to the partners of the firm, particularly in the areas of corporate and conveyancing work.

Before joining Messrs. Lee Fook Leong & Co., Ms Tan Swee Geok taught English, Commerce, and Economics at Chung Hwa High School in Seremban and Sekolah Munshi Abdullah in Labis. This experience not only gave her a strong foundation in teaching and communication skills but also instilled in her a deep appreciation for the importance of education and the impact it can have on people's lives.

Ms Tan Swee Geok does not hold any directorships in other public companies. She does not have any family relationship with any Director and/or substantial shareholder of the Company. She is directly holding 287,392 ordinary shares of the Company, which represent 0.028% of the total issued shares of the Company. Her employer, which is also her husband's legal firm, Messrs. Lee Fook Leong & Co. provides legal services to the Company and Group in the ordinary course of business. There is no business arrangement with the Company in which she has personal interest. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

DIRECTORS' PROFILE (CONT'D)

WONG LEE LEE

*Independent Non-Executive Director
Chairman of Remuneration
Committee
Members of Audit Committee,
Nomination Committee and Risk
Management Committee*

Ms Wong Lee Lee, aged 53, female, Malaysian, was appointed to the Board on 1 December 2022 as an Independent Non-Executive Director. She is a member of Malaysian Institute of Accountants and fellow member of the Association of Chartered Certified Accountants (FCCA).

Since joining Messrs. Gow & Tan in 1996, Ms Wong Lee Lee has made significant contributions to the firm and its clients. Over the years, she has held various positions within the firm, demonstrating her versatility and adaptability, and was appointed as Audit Partner in 2008.

With over twenty years of public practice experience, Ms Wong Lee Lee has developed a wealth of knowledge and expertise in accountancy, auditing, taxation, and management consultancy. She has leveraged this expertise to provide invaluable guidance and support to her clients, helping them to navigate complex financial and business challenges and achieve their goals.

Ms Wong Lee Lee does not hold any directorships in other public companies. She does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which she has personal interest. She has no convictions for any offences within the past five (5) years other than traffic offences, if any.

KEY SENIOR MANAGEMENT

TANG CHING TONG Tang Ching Tong, aged 59, Malaysian, joined the KSL Group in year 2001 and was appointed as General Manager in year 2009. He holds an Honours Degree in Bachelor of Science with Education from University Kebangsaan Malaysia. He has more than thirty (30) years of experiences in the property development industry. Currently he is involved in the daily business operations include planning and managerial roles in business development of the Group especially in Southern Regions.

He does not have any family relationship with any Director and/or substantial shareholder of the Company or any business arrangement with the Company in which he had personal interest. He has no conviction for any offence within the past five (5) years other than traffic offences, if any. He does not hold any directorships in public companies.

KU KENG LEONG Ku Keng Leong, aged 49, male, Malaysian, joined the KSL Group in year 2000. He was appointed as the Executive Director in most KSL subsidiaries on 1 January 2011. Currently, he is involved in planning, daily business operations, as well as designs, implementations, co-ordinations and overseeing all projects progress in South Johor.

Ku Keng Leong graduated from Curtin University of Technology, Perth Australia with a Bachelor of Business degree majoring in International Business in 1999. He obtained his MBA in IPE Business School, Paris in January 2018.

He is the son of Ku Wa Chong, nephew of Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng and Ku Tien Sek, who are the substantial shareholder and/or Directors of the Company.

He does not hold any directorships in public companies. He has no conviction for any offence within the past five (5) years other than traffic offences, if any.

AUDIT COMMITTEE REPORT

A. ESTABLISHMENT AND COMPOSITION

The Audit Committee comprises the following members:-

Chairman: Mr. Pang Ah Kow (Independent Non-Executive Director)

Members: Ms. Tan Swee Geok (Independent Non-Executive Director)
Ms. Wong Lee Lee (Independent Non-Executive Director)

The composition of Audit Committee is in compliance with the paragraph 15.09 of Main Market Listing

Requirement (“MMLR”), where the Audit Committee consist of three (3) Independent Non-Executive Director and two of the members of the Audit Committee, Mr. Pang Ah Kow and Ms. Wong Lee are members of Malaysian Institute of Accountants which fulfills the requirement under paragraph 15.09(1)(c)(i) and paragraph 7.1 of Practice Note 13 of MMLR.

In compliance with Malaysian Code on Corporate Governance, the chairman of the Audit Committee is not the chairman of the Board of Directors during the financial year ended 31 December 2025 and up to the date of this Report.

The profile of the members can be found presented on pages 48 to 50 of this Annual Report.

B. TERMS OF REFERENCE

The terms of reference of the Committee is published on the Company’s corporate website (www.ksl.my) under “News-Others”.

C. MEETINGS

During the financial year ended 31 December 2025, the Audit Committee held five (5) meetings. Details of each member’s meeting attendances are as follows:-

Name of Directors	No. of Meetings Attended
Mr. Pang Ah Kow	5/5
Ms. Tan Swee Geok	5/5
Ms. Wong Lee Lee	5/5

The meetings were conducted with the quorum of two (2) of whom the majority of members present at the meeting were Independent Directors’ as required by the Committee’s Terms of Reference.

AUDIT COMMITTEE REPORT (CONT'D)

The meetings were appropriately structured through the use of agendas, which were distributed together with the minutes of the meeting and relevant papers and reports to the members at least five (5) business days before the meeting with sufficient time allowed for review by the members for the proper discharge of its duties and responsibilities diligently and effectively in compliance with the MMLR and its terms of reference.

The secretary of the Company, the appointed secretary of the Committee, attended all the meetings during the financial year. The External Auditors, Internal Auditors, Executive Directors, Group Financial Controller and Corporate Finance Manager, at the invitation of the Committee, attended the Committee meetings to present their reports/findings or required information and explanations for the proper deliberation of the matters at hand.

The Audit Committee reported to and updated the Board on significant issues and matters discussed during the Committee's meetings and where appropriate, made the necessary recommendations to the Board. Minutes of the Committee's meetings were made available to all Board Members for review and to seek clarification and confirmation from the Audit Committee Chairman where necessary.

The Group's External Auditors attended the Committee meetings held during the financial year under review when required.

D. SUMMARY OF ACTIVITIES DURING THE FINANCIAL YEAR

The Committee carried out its duties in accordance with its terms of reference during the financial year under review. The summary of works undertaken by the Audit Committee during the financial year included the following:-

1. Reviewed the Quarterly Financial Reports

During the scheduled quarterly meetings, the Finance Director of the Group presented the draft unaudited quarterly financial results for Audit Committee's review, briefed the Committee on the contents of the draft financial statements (including the notes to the account) and answered all queries raised and clarifications sought by the Audit Committee. The review focused on key financial results and comparison to the corresponding quarter of preceding year as well as immediate preceding quarter, with the reasons for the variances provided by the Finance Director.

In addition, the business prospect of the Group for the rest of the financial year was provided by the Management to the Audit Committee for discussion. Further, the Audit Committee assessed the reasonableness of the assumptions and estimates made in the draft financial quarterly financial statements based on the updates by the Management on the operations and proposed business strategy.

AUDIT COMMITTEE REPORT (CONT'D)

The reviews of the draft financial quarterly financial statements by the Audit Committee during the financial year under review were conducted in the presence of the External Auditors with clarifications sought from them during the meeting.

The unaudited financial reports reviewed by the Audit Committee were then recommended to the Board for approval prior to announcement to Bursa Malaysia Securities Berhad (“Bursa Securities”).

2. Reviewed the Company’s Compliance with Regulatory, Statutory and Accounting Standards

During the quarterly Audit Committee meeting, with respect of the quarterly and annual financial statements, the Audit Committee reviewed the Company’s compliance with the MMLR, accounting standards promulgated by Malaysian Accounting Standards Board and other legal and regulatory requirements.

3. Reviewed the latest changes of pronouncements issued by the accountancy, statutory and regulatory bodies.

At such quarterly meetings, the Audit Committee sought clarification of the application and impact of new and revised accounting standards with the External Auditors as necessary. The Audit Committee members also underwent briefings by professionals on the updates and changes in MMLR and proposed changes in Malaysian Code on Corporate Governance during the financial year.

4. Reviewed the External Auditors’ Audit Plan, Scope of Work and Audit Fee

During the financial year, the External Auditors presented their audit plan to the Audit Committee for review and comment prior to the commencement of the audit to ensure the audit scope is adequate and reasonable time was allowed to ensure the audit carried out effectively and not under undue time pressure. The audit plan presented includes the audit methodology, audit workflow and audit timetable, and significant risk area. The audit plan for the financial year was discussed and clarifications sought from the External Auditors prior to approval of the said plan by the Audit Committee. During the same meeting, the audit fees and non-audit fees was presented by the External Auditors for review by Audit Committee, which was then recommended to the Board for approval.

AUDIT COMMITTEE REPORT (CONT'D)

5. Reviewed of Audited Financial Statements and Audit Results with External Auditors

Prior to announcement of final quarterly financial statements, the External Auditors presented their Audit Status Report and briefed the Audit Committee on the audit findings arising. During the meeting, the audit findings on the significant risk areas, deficiencies in internal control and status of the audit were presented to the Audit Committee for review. The results and findings were subsequently presented to the Board by the Chairman of the Audit Committee after the review.

During the financial year, the Audit Committee recommended for the Board's approval and adoption of the audited statutory financial statements of the Company and the Group after it was satisfied that the audit had been adequately planned and were carried out in accordance with the approved auditing standards after the review with the External Auditors and the Management and it was satisfied that the presentation of the financial statements was in compliance with the statutory requirements and applicable accounting standards.

6. Private Sessions with External Auditors

For the financial year ended 31 December 2025, the Audit Committee has met with the External Auditors a total of two (2) times without the presence of the Executive Directors and Management in order for the Audit Committee and the External Auditors to freely exchange observations and opinion between both parties as well as discuss any significant audit issues.

7. Reviewed the Independence and Objectivity of the External Auditors

During the financial year, confirmation on the independence of the External Auditors was obtained by the Audit Committee in order for the Audit Committee to review the independence and objectivity of the External Auditors.

8. Review of Internal Audit Functions

During the financial year, the Audit Committee received internal audit report presented by the outsourced Internal Auditors that contains the findings, recommendations and agreed management action plans for the internal audits conducted based on approved internal audit plan. Aside from reporting on the audit findings, the status of agreed management action plans for previous internal audit findings and the status of the approved internal audit plan was also presented to the Audit Committee.

AUDIT COMMITTEE REPORT (CONT'D)

Additionally, the Audit Committee had assessed the adequacy and effectiveness of the internal audit functions through the review of the resources, experience and continuous professional development of the Internal Auditors for its adequacy.

During the financial year, the internal audit plan was presented by the outsourced Internal Auditors for the review and approval by the Audit Committee. The oversight role of Audit Committee on Internal Audit functions is further elaborated in the Statement of Risk Management and Internal Control located on page 89 to 101 of this Annual Report.

9. Reviewed Related Party Transactions

During the scheduled quarterly meetings, the Finance Director reported to the Audit Committee the value of the transactions (from date of shareholders' mandate to end of the financial period) of individual recurrent related party transactions ("RRPT") as compared to the approved value of transactions per the shareholders' mandate obtained in the previous general meeting to identify RRPT exceeded or about to exceed the approved amount per the shareholders' mandate so that prompt action can be taken to resolve.

During the meeting, the Audit Committee sought confirmation from the Management that there was no new RRPT or conflict of interest situation that might arise within the Group including any transaction, procedures and course of conduct that might raise questions of management integrity.

10. Reviewed the Annual Report

During the financial year, the Audit Committee reviewed the Annual Report (which includes the Corporate Governance Statement, Audit Committee Report, Statement of Risk Management and Internal Control and Management Discussion and Analysis), and the Audited Financial Statement of the Group and recommended to the Board for approval.

E. INTERNAL AUDIT FUNCTION

The Group outsourced its internal audit function to an independent professional firm, namely NeedsBridge Advisory Sdn. Bhd. The outsourced internal audit function assists the Board and the Audit Committee in providing independent assessments of the adequacy and effectiveness of the Group's system of internal control. The outsourced internal audit function reports directly to the Audit Committee. The appointment and resignation of the internal audit function, as well as the proposed audit fees, are subject to review and approval by the Audit Committee for its reporting to the Board for ultimate approval.

AUDIT COMMITTEE REPORT (CONT'D)

The audit engagement of the outsourced internal audit function is governed by an engagement letter and the Internal Audit Charter approved by the Board. The engagement letter outlines key terms including the purpose and scope of work, accountability, independence, the outsourced internal audit function's responsibilities, the Management's responsibilities, authority accorded to the outsourced internal audit function, limitation of scope of work, confidentiality, proposed fees and engagement team.

Meanwhile, the Internal Audit Charter governs the internal audit function by specifying the purpose and mission of internal audit function, its roles, required professionalism (including adherence to the mandatory guidance issued by The Institute of Internal Auditors ("IIA")), its authorities, the reporting structure, required independence and objectivity, its responsibilities, the purpose of internal audit plan, reporting and monitoring, as well as the quality assurance and improvement programme. The internal audits are carried out, in material aspects, in accordance with the International Professional Practices Framework ("IPPF") established by the IIA Global.

The outsourced internal audit function prepared a risk-based internal audit plan that incorporated a holistic schedule of assignments designed to provide independent assurance on the effectiveness of the Group's risk-management and internal control systems, as well as the safeguarding of its assets. The scope of review by the outsourced internal audit function, through the internal audit plan, is determined with feedback from the Senior Management and subsequently approved by the Audit Committee. In addition, the Audit Committee enhanced their oversight of the internal audit function by reviewing the adequacy of the outsourced internal audit function's resources, including the qualifications, experience and continuous professional development of its personnel, as presented by the outsourced internal audit function during the financial year under review. The performance, independence and objectivity of the internal audit function were formally evaluated by the Audit Committee using an Internal Audit Function Evaluation Checklist.

To maintain independence and objectivity, the outsourced internal audit function is not permitted to act on behalf of Management, decide and implement management action plans, perform on-going internal control monitoring activities (except for follow-ups on the progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to that of Management or employees of the Group. The outsourced internal audit function is granted unrestricted access to all functions, records, properties, personnel, Audit Committee and other specialised services within or outside the Group, along with the necessary assistance from relevant personnel during audit engagements.

AUDIT COMMITTEE REPORT (CONT'D)

During the financial year under review, the outsourced internal audit function conducted scheduled internal audits in accordance with the internal audit plan approved by the Audit Committee. Areas for improvement in internal controls identified together with the associated risks or potential implications, recommendations, management action plans, person in charge, as well as the target dates of implementation, were presented to and discussed with the Audit Committee during the corresponding Audit Committee meetings. In addition, the outsourced internal audit function performed follow-up reviews to assess the status of implementation of the agreed management action plans. The results of the follow-up reviews were reported to the Audit Committee for their review and deliberation.

The internal audits conducted during the year did not reveal any weaknesses in the internal control system that would result in any material losses, contingencies or uncertainties requiring disclosure in this Annual Report.

Please refer to the Statement on Risk Management and Internal Control from page 89 to 101 of this Annual Report for the details of the activities of the outsourced internal audit function during the financial year under review.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS FOR FINANCIAL YEAR 2025

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and of the Group as at the end of the financial year and of the income statement and cash flows of the Company and the Group for the financial year.

The Directors are of the view that, in preparing the financial statements of the Company and the Group for the year ended 31 December 2025, the Company and the Group has adopted recommended accounting policies that are consistently applied and supported by reasonable, prudent judgments and estimates. The Directors have also considered that all applicable accounting standards have been followed during the preparation of audited financial statements.

The Directors are aware of its responsible in ensuring that the Group keeps adequate accounting records that disclose with reasonable accuracy the financial position of the Company and the Group as to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2016 the Malaysian Financial Reporting Standards and International Financial Reporting Standards.

The Directors have ensured timely release of quarterly and annual financial results of the Group for the year 2025 to Bursa Securities that enable the public and investors to be well informed of the Group's constant development. The Directors are also fully aware of their general responsibilities in taking steps which are reasonably open to them to safeguard the assets and to detect and prevent fraud and other irregularities within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“the Board”) of KSL Holdings Berhad (“KSL” or “the Company”) is committed to ensuring that good corporate governance practices are applied throughout the Company and its subsidiaries (“the Group”) and form the fundamental principles of corporate sustainability pursued by the Group for long-term shareholders’ value creation. Hence, the Board fully supports the principles and practices of good corporate governance practices (including the Intended Outcomes) as promulgated by the Malaysian Code of Corporate Governance 2021 (“MCCG”) to direct and manage the business and affairs of the Group towards promoting business prosperity and corporate accountability with the ultimate objective of realising long-term shareholder value while taking into account the interest of other stakeholders.

This overview statement sets out the overview of the manner in which the Company had applied the principles set out in the MCCG and the extent of compliance with the Principles of MCCG advocated therein in accordance with paragraph 15.25 and Practice Note 9 of the Main Market Listing Requirements (“MMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”).

On the other hand, the application of each Practice set out in the MCCG during the financial year is disclosed in the Corporate Governance Report’s format prescribed by Bursa Securities (“CG Report”) and announced together with the announcement of this Annual Report in accordance with paragraph 15.25 and Practice Note 9 of MMLR. The CG Report for the financial year under review and previous financial years are accessible via the Company’s website at www.ksl.my, as well as through the announcement made on the website of Bursa Securities.

The Corporate Governance Overview Statement (“CG Overview Statement”) should be read in tandem with the CG Report to provide comprehensive disclosure of the application of each principle and practice set out in the MCCG during the financial year.

Unless specified, the following disclosure statements provide an overview of the Company’s application of the Principles set out in MCCG that have been in place throughout the financial year ended 31 December 2025.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

1.1 Board leadership

The Board is committed to driving the success of the Group by providing entrepreneurial leadership and strategic direction, as well as overseeing performance management, risk management and internal controls, standards of conduct, sustainability management, and key business decisions. The Board acknowledges its role as the ultimate decision-making body of the Group and is responsible for ensuring that the Group operates in a sound and effective manner.

The Board comprises Directors who are entrepreneurs and experienced professionals in the fields of property development, hospitality, business management, education, auditing, accountancy, taxation and management consultancy. All these different skills are put together to enable the Board to lead, guide and control the Group effectively.

The Board operates in accordance with the Board Charter approved by the Board, which outlines its roles, responsibilities, and governance framework. It is led by an Executive Chairman, who, together with other Directors, facilitates Board deliberations on strategies and policies recommended by the Senior Management, ensuring that decisions are made in the best interests of the Group. A summary of the Chairman's responsibilities is disclosed in Practice 1.2 of the CG Report.

The Board is also responsible for the oversight and overall management of the Company. The Board fully understands its responsibilities in ensuring sustainable operations and an optimal corporate governance framework to safeguard shareholders' value. While the Board reviews and approves the Group's charter and policies (including subsequent updates), the Group Managing Director and Executive Directors are delegated with the authorities and responsibilities to ensure proper execution of strategies and ensure the effective and efficient operation of the Group. The authorisation procedures for key processes are set out in the Group's policies and procedures.

As required under the Board Charter, the Board is assuming the following, amongst other roles and responsibilities, broad categories of roles and responsibilities: -

- Setting the corporate values, objectives, goals and strategic plan as well as clear lines of responsibility and accountability for the Group;
- Deliberating, approving and monitoring the progress of the Company's strategy, budgets, plans and policies;
- Overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

- Retaining an effective Board that consists of competent individuals with appropriate specialised skills and knowledge to lead and control the Company;
- Identifying and managing principal and potential risks and ensuring proper risk management policy with appropriate governance structure and process, as well as appropriate risk appetite, established based on internationally recognised risk management framework, are put in place to manage principal risks;
- Succession planning including appointing, training, fixing the compensation of and where appropriate, replacing any member of the Board, Board Committees and Senior Management;
- Maintaining an effective system of internal control to safeguard shareholders' investment and Company's assets;
- Reviewing the adequacy and the integrity of the Company's internal control systems and management information systems, including systems for compliance in accordance with the laws, regulations rules, directives and guidelines;
- Establishing and maintaining ethical standards through the Code of Conduct, Group Anti-Bribery and Corruption Policy and Whistle-Blowing Policy, which will be applicable throughout the Group;
- Promoting good corporate governance culture throughout the Group and reviewing the corporate governance standing of the Company;
- Promoting good sustainability practices throughout the Group; and
- Establishing sustainability policy and reviewing the management of material sustainability matters at frequent intervals.

The roles and responsibilities of the Board and the application of the MCCG's practice are disclosed in Practice 1.1 of the CG Report.

Aside from the core responsibilities listed above, significant matters that require deliberation and approval from the Board are clearly defined by the Board in the Board Charter as matters reserved for the Board for consideration and approval during the Board's meeting. The matters reserved for the Board are disclosed in Practice 2.1 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

The Board has delegated specific duties to its Board Committees, namely the Audit Committee (“AC”), Remuneration Committee (“RC”), Nomination Committee (“NC”) and Risk Management Committee (“RMC”). These committees operate within clearly defined Terms of Reference approved by the Board. The relevant Terms of Reference are accessible via the Company’s website at www.ksl.my.

To ensure that there is a balance of power and authority within the Board, the position of the Chairman of the Board and the Group Managing Director is separated, and there is a clear division of responsibilities between the Executive Chairman and the Group Managing Director. The Executive Chairman is responsible for the governance, orderly conduct and effectiveness of the Board, while the Group Managing Director is responsible for managing the Group’s business operations and implementation of policies and strategies approved by the Board. A summary of the roles and responsibilities of the Chairman of the Board and the separation of the roles of Chairman and Group Managing Director is disclosed in Practices 1.2 and 1.3 of the CG Report, respectively.

In compliance with MCCG, the Executive Chairman was not a member of the AC, NC, RC and RMC, nor did he attend the meetings of such board committees by way of invitation during the financial year under review to enhance the independence and oversight roles of the Chairman of the Board in leading the Board of the Company. Kindly refer to Practice 1.4 of the CG Report for further details.

The Independent and Non-Executive Directors (“INED”) play a crucial role in ensuring that the strategies proposed by Senior Management undergo thorough deliberation and examination. This ensures that the interests of all stakeholders are carefully considered during the decision-making process.

All Directors shall notify the Chairman of the Board before accepting any new directorship or significant commitments outside the Company, including an indication of the time that will be spent on the new appointment. The Chairman of the Board shall also notify the Board if he or she has any new significant commitments outside the Company.

In discharging its duties efficiently and effectively, the Board is assisted by licensed Company Secretaries and the details of the Company Secretaries are disclosed in Practice 1.5 of the CG Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

i. Board Charter

The Board is guided by a formal Board Charter approved by the Board and sets out the composition, roles, functions, responsibilities and authorities of the Board and the Board Committees of the Company. It also defines the respective roles and responsibilities of the Chairman of the Board, the Group Managing Director, the Senior Independent Director and the Company Secretary.

The Board Charter further outlines key governance matter, including Board composition, specific responsibilities and matters reserved for the Board, governance structure, Board Committees, delegation of authorities, commitment by the Directors, Independent Directorship, tenure of Independent Directors, appointment and re-election of Directors, Board Committee, Board proceedings, financial reporting responsibilities, unrestricted rights to access to information and independent advice, Board evaluation and performance, Board remuneration, Directors' training and continuing education, investor relation and shareholders' communication policy, general meetings and attendance, as well as code of conduct.

Further disclosure on the details of the Board Charter is disclosed in Practice 2.1 of the CG Report.

The Board Charter is available on the Company's website at www.ksl.my.

ii. Code of Conduct and Ethics and Whistle-Blowing Policy

The Board is fully committed to the highest standards of integrity, transparency and accountability in the conduct of the Group's business and operations to ensure business sustainability through their conduct, individually or collectively, focusing on the key principles of serving with respecting others, avoiding conflict of interest, preserving confidentiality and privacy and business sustainability. AC is entrusted with the task of looking into ethical practices and compliance of the Group.

The Board incorporated the above key values and principles of expected conduct into the Company's Code of Conduct and Ethics ("The Code") to govern the standards of ethics and good conduct expected of all employees, customers and vendors of the Group. The Code forms the integrity and ethical values expected from the employees, which are incorporated in the Employee Handbook.

To further enhance the ethical value across the Group, a formal Group Anti-Bribery & Anti-Corruption Policy and a Conflict of Interest (COI) Framework have been put in place by the Board to effectively manage and mitigate risks of bribery and conflict of interest situations while a Related Party Transactions and Conflict

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

of Interest Policy and Procedures is established to manage related party transactions entered or to be entered in accordance with MMLRs and the reporting of related party transactions. Please refer to Practice 3.1 of the CG Report for the details.

To foster an environment where integrity and ethical behaviour are maintained, the Board has put in place a formal Whistle-Blowing Policy to encourage employees and other interested parties to disclose concerns about illegal, unethical or improper business conduct within the Group. Please refer to Practice 3.2 of the CG Report for details.

The Code of Conduct and Ethics, the Group Anti-Bribery & Anti-Corruption Policy, the Conflict of Interest (COI) Framework, the Related Party Transactions and Conflict of Interest Policy and Procedures and the Whistle-Blowing Policy are published on the Company's website at www.ksl.my.

iii. Board's Meetings

The Chairman of the Board, on the advice of the Company Secretary, determined the agenda of the meetings of the Board during the financial year under review and ensured that sufficient time was allocated during the meeting proceedings so that each agenda item or issue brought up was discussed or deliberated in necessary depth before decisions were made.

Board Committee meetings of the Company, including AC meetings, were not combined with the Board Meetings during the financial year under review and other directors and employees attended any particular Board Committee meeting only at such Board Committee's invitation.

The Board meets regularly to perform its main function on the development and implementation of strategic plans, formulation of policies, overseeing the conduct and operations of the businesses of the Group, sustainability oversight, succession planning and ensuring the appropriateness of internal control and effectiveness of risk management and is mindful of the importance of business sustainability in conducting the Group's business.

To carry out its functions and responsibilities, the Board met five (5) times during the financial year ended 31 December 2025 and the attendance of each Director at the Board Meetings is as follows: -

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Director	No. of Attendance	No. of Meetings Eligible to Attend
Ku Hwa Seng	5	5
Khoo Cheng Hai @ Ku Cheng Hai	5	5
Ku Tien Sek	5	5
Pang Ah Kow	5	5
Tan Swee Geok	5	5
Wong Lee Lee	5	5
Khoo Lee Feng	5	5
Ku Ek Mei	5	5
Tan Kai Seng	5	5

The Board plans to meet at least four (4) times a year at quarterly intervals, with additional meetings convened when urgent and important decisions are required to be made between the scheduled meetings. All meetings of the Board are duly recorded in the Board minutes by the Company Secretary. The Company Secretary also attended all Board Meetings of the Company. The Company Secretary ensures that all Board meetings are properly convened, and that accurate and proper records of the deliberations, proceedings and resolutions passed are recorded and maintained in the statutory register at the registered office of the Company.

iv. Supply of Information

The Board members, in their individual capacity, have unrestricted access to complete information on a timely basis in the form and quality necessary for the discharge of their duties and responsibilities. Prior to each Board meeting, all Board members are furnished with the relevant documents and sufficient information, i.e. minutes of previous Board and individual committee meeting as well as board papers, no less than five (5) business days before the meeting to enable them to have sufficient time in obtaining a comprehensive understanding of the issues to be deliberated upon in order to arrive at a decision.

Besides direct access to management staff, external independent professional advisers are also made available to render their independent views and advice to the Board, whenever deemed necessary and in appropriate circumstances, at the Company's expense.

The Directors also have access to the advice and services of the Company Secretary, who is responsible for ensuring that the Board's procedures are adhered to.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Please refer to Practice 1.6 of the CG Report for details of the Board's proceedings on meeting materials and supply of information.

v. Board Composition

The appointment and re-election of Directors of the Company and its subsidiaries are governed by the Fit and Proper Policy, the Policy and Procedure on Nomination and Selection of Director and the Policy on Independence Assessment of Independent Directors (for appointment of INED). The NC shall ensure the composition of the Board is refreshed periodically. The tenure of the Directors of the Company will be reviewed by the NC annually, typically in March, and recommendations will be made by NC to the Board for deliberation. Recommendations for the re-appointment of Directors in the forthcoming Annual General Meeting ("AGM") will be made by the Board to the shareholders for approval during the AGM after they are satisfied that the current Board composition and the tenure of each Director have fulfilled the current and future needs of the Group. Please refer to Practice 5.1 of the CG Report for the detailed disclosure on the review of Board composition and tenure of individual Directors, and that re-appointment is based on satisfactory evaluation of the Director's performance and contribution to the Board.

As of the date of this report, the Board comprises nine (9) members, consisting of one (1) Executive Chairman, five (5) Executive Directors (including the Group Managing Director), and three (3) INEDs. The profile of each Director is presented in this Annual Report. The Company was classified as a Large Company during the financial year ended 31 December 2025. While the Board has yet to meet the requirement of having a majority of INEDs, the current Board composition is in compliance with the requirements of MMLR 15.02(1), which mandates that at least 2 directors or 1/3 of the Board, whichever is higher, must be INEDs. Please refer to Practice 5.2 of the CG Report for further details.

vi. Board Diversity

It is the Board's responsibility to ensure that the diversity within the Board is preserved so that the required mix of knowledge, skills, expertise and experience is brought into the Group for business excellence, while age, ethnic and gender diversity provides different viewpoints for issues under consideration. The Board is satisfied that, through the formal procedure for nomination and selection, as well as annual performance appraisal performed on the Board, the Board Committees and individual directors, the current board composition represents a mix of knowledge, skills and experience required to discharge the Board's duties and responsibilities effectively as well as no individual or small groups of individuals dominate the Board's decision-making process.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

The Board supports age, ethnic and gender diversity within the Group, including the workplace. The Board believes that the appointment of members of the Board and Senior Management shall be based on the merit of the candidates as well as the required mix of knowledge, skills, expertise and experience to be brought into the Group, instead of purely based on gender consideration. Nonetheless, the Board is committed to appointing women directors to the Company's Board and members of Senior Management who demonstrate suitability, competence, and capability. The current composition of the Board reflects its efforts to promote gender diversity. Presently, there are four (4) female directors appointed as members of the Board of the Company, out of a total of nine (9) directors (i.e. 4/9 or 44.4%). Additionally, two women directors hold positions in Senior Management at subsidiaries, aligning with the Group's practices regarding gender diversity at both the Board and Senior Management levels. At present, there was no active politician appointed as a member of the Board of the Company and its subsidiaries.

Please refer to Practice 5.5 of the CG Report for the detailed disclosure of the board diversity as well as Practices 5.9 and 5.10 of the CG Report for the detailed disclosure on the gender diversity.

vii. INED

Independence of the candidates to act as Independent Director is assessed by NC prior to their appointment based on independence assessment as well as the nomination and selection process governed by the Fit and Proper Policy, the Policy and Procedure on Nomination and Selection of Director and the Policy on Independence Assessment of Independent Directors, with the results of the review reported to the Board for consideration and decision.

Annually, all INEDs are subject to independence assessment by NC based on prescribed criteria concerning their independence, objectivity and disclosure of interests within the Group, as well as any external affiliations or transactions. The results of the independence assessment are then presented by NC to the Board for their evaluation of the independence and objectivity of INEDs. Based on the assessment performed during the financial year under review, the Board is satisfied with the level of independence and objectivity demonstrated by all INEDs, recognising their ability to bring independent and objective judgement to Board deliberations.

As at the date of this Annual Report, all INEDS (i.e. Mr. Pang Ah Kow, Ms. Wong Lee Lee and Ms. Tan Swee Geok), who were appointed as INED on 1 December 2022, have each served the Board for a tenure of less than nine (9) years. Please refer to Practice 5.3 of the CG Report for further details.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

viii. Appointment of Directors and Senior Management, Re-election and Re-appointment of Directors

Appointment of new Directors to the Board or Board Committee is recommended to the NC for consideration and approved by the Board in accordance with the nomination and selection processes practised by the NC and the Board. It is the practice of the Board that highly qualified candidates with sufficient and relevant knowledge, skills and competency are sought to serve as members of the Board and the Senior Management. Additionally, the Board prioritises maintaining gender and ethnic diversity within both the Board and Senior Management, should suitable candidates with diverse backgrounds be identified.

The process and criteria for the nomination and selection practised by NC and the Board involves identification of potential candidates, evaluation of suitability of candidates based on agreed upon criteria, meeting up with candidates and background check, final deliberation by NC and recommendation to the Board. NC may seek independent professional advice, at the Company's expense, to perform its responsibilities under nomination and selection of Directors. The Board endeavours to not solely rely on recommendations from existing board members, management or major shareholders for the nomination of new director and to expand the source to include recommendation by other professionals and open search.

All Board members who are newly appointed are subject to retirement at the subsequent AGM of the Company. All Directors (including the Group Managing Director) will retire at regular intervals by rotation at least once every three years and shall be eligible for re-election.

The recommendations for re-appointment of retiring directors to shareholders during the AGM are made by the NC to the Board upon satisfactory results of performance evaluation of such Directors and independence assessment (for INED).

All existing Directors of the Company were nominated based on the recommendations of the Board members and major shareholders without seeking input from independent sources.

Please refer to Practices 5.6 and 5.7 of the CG Report for the details on the nomination, appointment and re-appointment process of the Directors and explanation for the departure of Practice 5.6.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

ix. Performance Assessment and Evaluation of Board

On an annual basis, the Company Secretary circulates to each Director the relevant evaluations and assessment forms and checklists for the purpose of evaluating the performance of the Board, the Chairman, the Board Committees (including the AC), the contribution of each individual Director, as well as the independence of the INED. Sufficient time is given to all Directors to complete the forms and checklists in advance of the meeting, allowing the Company Secretary to collate the assessment/evaluation results for review by the NC and subsequent reporting to the Board.

The following assessments and evaluations were performed during the financial year:

1. The Board and Board Committees' performance evaluation (including the Board Chairman's role and responsibilities);
2. Individual Directors' performance appraisal pursuant to Paragraph 2.20A of MMLRs;
3. Self-assessment of independence and self-declaration of interests in the Group, any corporation, partnership, business transactions and/or services with the Group, employment history and identity of person connected to him by INED;
4. Audit Committee Evaluation and Audit Committee members pursuant to Paragraph 15.20 of the MMLRs.

The Board, through NC, reviewed and assessed its required mix of skills, experience and other qualities, including core competencies which Directors should bring to the Board, and the size and composition of the Board to ensure that it has the appropriate mix of skills and competencies to lead the Group effectively.

Based on the above evaluations conducted in March 2025, the Board, through reports by the NC, were satisfied with the composition, performance and effectiveness of the Board, the Board Committees and Directors (including Chairman of the Board), and that the AC and its members had carried out their duties in accordance with their terms of reference in accordance with the MMLRs.

The Company was classified as a Large Company during the financial year ended 31 December 2025. While Practice 6.1 of the MCGG recommends the engagement of an independent expert to facilitate Board evaluations for Large Companies, the Board has, for the time being, not engaged an external independent party, and the evaluation process was carried out internally by the NC.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Please refer to Practice 6.1 of the CG Report for the details on the performance evaluation of the Board, the Board Committees, the contribution of each individual Director (including Chairman of the Board) and the independence assessment of INED, as well as the explanation for the departure from Practice 6.1.

x. **Directors' and Senior Management's Remuneration**

The Board assumes the overall responsibility to establish and implement an effective remuneration policy for the members of the Board and Senior Management. The policy aims to attract, retain and motivate Directors and Senior Management to positively pursue the Group's medium to long-term objectives. The Board has put in place a Remuneration Policy for Directors, which serves as a guiding framework for the RC when reviewing and recommending the remuneration packages of the members of the Board. Major components of the remuneration package for Executive Directors and Non-Executive Directors ("NED") are specified in the Policy.

In brief, the Board determines remuneration for Executive Directors and Senior Management based on their performance, service, seniority, experience, and scope of responsibilities. Meanwhile, the remuneration of NEDs, including INEDs, is determined based on a fixed fee structure that reflects their experience, skills, responsibilities, and time commitment to the Board and its Committees, with approval from shareholders. NEDs are remunerated through directors' fees and meeting allowances, and are not entitled to performance-based bonuses, share options, or any form of commission or profit-linked incentives.

RC is responsible for recommending to the Board the remuneration packages of the members of the Board and Senior Management, whilst the Board, as a whole, is responsible for determining the final remuneration of the Directors and Senior Management. Individual Director shall abstain from deliberation and approval of his/her own remuneration. Directors who are shareholders or controlling shareholders with a nominee or connected Director on the Board shall abstain from voting at general meetings to approve the remuneration of such interested Director.

Directors' fees for NEDs and any other allowances payable to Executive Directors and NEDs are subject to the approval of shareholders at the AGM.

Please refer to Practices 7.1 and 7.2 of the CG Report for the details of Remuneration Policy for Directors and summary of details of Terms of Reference of RC.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Please refer to Practice 8.1 of the CG Report for the breakdowns of remuneration of individual Directors (including fees, salary, bonus, benefits-in-kind and other emoluments) on a named basis for the financial year ended 31 December 2025.

The disclosure of Senior Management's remuneration component on a named basis in bands of RM50,000 is not adopted as the Board is of the opinion that the disclosure may jeopardise the personal security of the individual Senior Management concerned and could potentially increase the risk of losing key personnel, particularly if their remuneration packages are published publicly.

Please refer to Practice 8.2 of the CG Report for the explanation regarding the departure from disclosing Senior Management's remuneration component on a named basis in bands of RM50,000.

xi. Directors' Training

As per the Board Charter, the Board is responsible for ensuring that Directors and Senior Management continuously enhance their knowledge and skills through participation in relevant training programmes. The Board is also tasked with assessing the training needs of Directors through a formal evaluation of the skills and competencies of individual Directors (including members of the AC) and for facilitating their access to continuing education programmes. In this regard, the NC conducts periodic reviews to identify the knowledge and skills required by Directors to effectively discharge their duties and responsibilities.

All Executive Directors have been with the Company for several years and are familiar with their duties and responsibilities as Directors. In addition, any newly appointed Directors will be given briefings and orientation by the Executive Directors and Senior Management on the business activities of the Group and its strategic directions, as well as their duties and responsibilities as Directors.

All the Directors have completed the Mandatory Accreditation Program prescribed by Bursa Securities and they are mindful that they should receive appropriate continuous training and attend seminars and briefings in order to broaden their perspective and to keep abreast with new developments for the furtherance of their duties. Specifically, AC members should undertake continuous professional development to keep themselves abreast of relevant developments in accounting, auditing, taxation, company secretarial and sustainability standards, practices and rules.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

During the financial year ended 31 December 2025, all Directors received regular briefings and updates on the Group's business and operations and received updates on new regulations and statutory requirements. All members of the Board have attended training(s) that were organised by regulatory bodies or professional organisations. The trainings attended by individual Board members are shown in the following table: -

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Khoo Cheng Hai @ Ku Cheng Hai	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026)	Lembaga Hasil Dalam Negeri Malaysia
Ku Hwa Seng	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026)	Lembaga Hasil Dalam Negeri Malaysia

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Ku Tien Sek	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026)	Lembaga Hasil Dalam Negeri Malaysia
Pang Ah Kow	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
Tan Swee Geok	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
Wong Lee Lee	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Wong Lee Lee (cont'd)	Auditor's Report, Audit Modifications, Going Concern and Other Matters Paragraph	Malaysian Institute of Accountants
	Case Study Based MFRS Webinar: MFRS 18 Presentation and Disclosure in Financial Statements and other MFRS Updates	Malaysian Institute of Accountants
	2026 Budget Seminar	Malaysian Institute of Accountants
Khoo Lee Feng	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026)	Lembaga Hasil Dalam Negeri Malaysia
Ku Ek Mei	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026)	Lembaga Hasil Dalam Negeri Malaysia

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Director	Name of Conference/Talk/Seminar Attended or Participated	Organiser
Tan Kai Seng	Embedding Sustainability Practices and Compliance with the Listing Requirements	AI Smartual Learning Sdn Bhd
	Mandatory Accreditation Programme Part II: Leading for Impact (LIP)	Institute of Corporate Directors Malaysia
	Anti-Bribery Management System Masterclass – Module 1	AI Smartual Learning Sdn Bhd
	Reporting transformation: Redesigning financial statements presentation – MFRS 18 Presentation and Disclosure in Financial Statements Seminar	Ernst & Young Tax Consultants Sdn Bhd
	Seminar Percukaian Kebangsaan 2025 (Belanjawan 2026)	Lembaga Hasil Dalam Negeri Malaysia
	2026 Budget and Tax Conference	Ernst & Young Tax Consultants Sdn Bhd

xii. Board Committees

In discharging its fiduciary duties, the Board has delegated specific duties to four (4) subcommittees (i.e. AC, NC, RC and RMC). The Committees have the authority to examine particular issues and report to the Board with their recommendation. The ultimate responsibility for the final decision on all matters lies with the entire Board.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

All Committees have written Terms of Reference and the Board receives reports on their proceedings and deliberations. The Chairman of the respective Committees is to brief the Board on the matters discussed at the Committee meetings and minutes of these meetings are circulated at the Board meetings.

- **AC**

AC comprises exclusively of INEDs. The Terms of Reference, the number of meetings held, key activities carried out during the financial year and the attendance records of each member are disclosed in the Audit Committee Report of this Annual Report.

Please refer to Practices 9.1, 9.2, 9.3, 9.4 and 9.5 of the CG Report on disclosure in relation to the AC.

- **NC**

NC comprises exclusively of INEDs, in compliance with MMLRs. NC is guided by written Terms of Reference duly approved by the Board, defining its rights, authorities and responsibilities. The NC is chaired by an INED.

NC's Terms of Reference is published on the corporate website at www.ksl.my.

NC members and their attendance for the meetings held during the financial year ended 31 December 2025 are as follows: -

Nomination Committee	No. of Meetings Held	Attendance
Tan Swee Geok (Chairman)	1	1
Pang Ah Kow	1	1
Wong Lee Lee	1	1

During the financial year ended 31 December 2025, the NC conducted evaluations and assessments on the performance of the Board, the Board Committees (including AC and members of AC), the contribution by each Director and the independence assessment of INEDs based on the pre-determined processes and evaluation/review criteria. NC reported the results of all evaluations and assessments to the Board for review and deliberation to enable effective actions (including trainings to be attended) to be formulated and implemented for the proper and effective functioning of the Board and its Committees.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Please refer to Practices 5.1, 5.2, 5.3, 5.5, 5.6, 5.7, 5.8 and 6.1 of the CG Report for details on NC and its activities.

- **RC**

RC was formed to assist the Board in determining, developing and recommending an appropriate remuneration policy and remuneration package for Directors and Senior Management so as to attract, retain and motivate the Directors and members of Senior Management. RC is guided by formal Terms of Reference. Further disclosure on the RC (and its activities) and remuneration policy and procedure can be found in Practices 7.1 and 7.2 of the CG Report.

RC comprises exclusively of INEDs. Their attendance records are as follows:

Remuneration Committee	No. of Meetings Held	Attendance
Wong Lee Lee (Chairman)	1	1
Tan Swee Geok	1	1
Pang Ah Kow	1	1

RC's Terms of Reference is published on the corporate website at www.ksl.my.

RC held a meeting during the financial year under review to review the service contracts of Executive Directors, proposed Directors' fees for Non-Executive Directors, proposed remuneration package of Executive Directors (with performance assessment results reported by the NC) with such recommended Directors' fees and remuneration packages reported to the Board for approval and/or recommendation to the shareholders for approval, if applicable.

- **RMC**

RMC was formed on 26 February 2014 to provide oversight, direction and counsel to the Group risk management process and to assist the Board in identifying, mitigating and monitoring critical risks highlighted by business units. RMC comprises the Group Managing Director and three (3) INEDs, in compliance with the Step-Up practice recommended by MCCG:

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Risk Management Committee	No. of Meetings Held	Attendance
Pang Ah Kow (Chairman)	1	1
Wong Lee Lee	1	1
Tan Swee Geok	1	1
Khoo Cheng Hai @ Ku Cheng Hai	1	1

RMC's Terms of Reference is published on the corporate website at www.ksl.my.

During the financial year under review, RMC met once to review and assess the adequacy and effectiveness of the risk management structure, risk policies, processes and relevant support system. Besides, RMC also reviewed, assessed and deliberated the risk profile presented with responses and strategies formulated to the key strategic and operational risks deliberated and reported to the Board on the results of its review.

Further disclosure on the risk management activities during the financial year can be found in Practices 10.1, 10.2 and 10.3 of the CG Report and in the Statement on Risk Management and Internal Control of this Annual Report.

xiii. Sustainability Oversight and Management

In order to promote the sustainability of the Group's businesses, one of the business strategies adopted by the Board is to ensure that the sustainability aspects of the businesses undertaken are well taken care of. The Group upheld the principle to maintain effective sustainability management continuously in order to contribute positively to the socio-economic development of the communities, to promote environmentally friendly business practices and to uphold good social practices.

One of the key responsibilities of the Board of the Company is to establish a sustainability policy and to review the management of material sustainability matters at predetermined intervals, as well as to promote good sustainability practices throughout the Group. The sustainability management of the Group is governed by the Sustainability Policy established by the Board. Formal governance structure, stakeholders' engagement, and process to identify, assess, formulate and monitor responses to material sustainability issues are prescribed in such policy, with the assessment results and responses fed into the risk management process of the Group for continuous monitoring. As an important communication with stakeholders of the Group, the Sustainability Statement was published along with the Annual Report for the financial year under review.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Please refer to Practices 4.1, 4.2, 4.3 and 4.4 of the CG Report and the Sustainability Statement for the governance structure and processes employed, as well as the identification, assessment, management and reporting of sustainability matters during the financial year under review.

PRINCIPLE B – EFFECTIVE AUDIT AND RISK MANAGEMENT

AC is tasked with the oversight role on the effectiveness of the audit and internal controls of the Group. The composition and activities carried out during the financial year under review, including the number of meetings held and attendance, are disclosed in the Audit Committee Report of this Annual Report and Practices 9.1, 9.2, 9.3, 9.4 and 9.5 of the CG Report.

i. Relationship with Auditors

The Group maintains a close and transparent relationship with its external auditors and internal audit function in seeking professional advice and ensuring compliance with the Group's policies and procedures, approved accounting standards, as well as the relevant regulations in Malaysia.

The roles and responsibilities of the AC in relation to the external auditors and internal audit function are prescribed in the Terms of Reference of AC.

The engagement of the external auditors is governed by the engagement letter with terms of engagement (which includes, amongst others, the scope of coverage, the responsibilities of the external auditors, confidentiality, independence and the proposed fees) reviewed by the AC and its recommendation to the Board. Furthermore, the external auditors of the Group confirmed to the AC their independence throughout the audit engagement and that they are not aware of any relationship between the Group and them that may reasonably impair their independence.

AC met with the external auditors thrice during the financial year under review to discuss their audit plans, audit findings, financial statements and other special matters that require AC's attention. In addition, AC met privately with the external auditors once without the presence of the Executive Directors and the Management to encourage free flow of information and views, as well as for the external auditors to freely express their opinions without undue pressure.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

AC had also considered the nature of other non-audit services provided during the year by the external auditors and the quantum of the fees as tabulated in the table below and was satisfied that the provision of these services did not in any way compromise their independence.

The audit and non-audit fees incurred for services rendered by the external auditors and their affiliated firms and companies to the Company and its subsidiaries for the financial year ended 31 December 2025 are as follows:

	Company	Group	Description
Audit Fees (RM)	25,000	362,000	
Non-Audit Fees (RM)	5,000	11,700	Review of Statement on Risk Management and Internal Control, and statutory audit of Housing Development Accounts

The oversight roles of the AC in relation to the internal audit function are detailed in Practices 11.1 and 11.2 of the CG Report, as well as in the Audit Committee Report and the Statement on Risk Management and Internal Control of this Annual Report, respectively.

ii. Risk Management

The Board recognises the importance of risk management in pursuing its Company's objective and has in place a formal Group Risk Management Policy. The details of the Group Risk Management Policy and the risk management processes are disclosed in Practices 10.1 and 10.2 of the CG Report, as well as in the Statement on Risk Management and Internal Control of this Annual Report.

iii. Internal Control and Internal Audit Function

The Board recognises the importance of having a sound internal control system for good corporate governance. As such, the internal audit function is established to review the adequacy and integrity of the internal control system in managing the principal risks of the Group. The internal audit function is outsourced to a professional firm to assist the AC in reviewing the state of internal control of the Group and to highlight areas for management and operational improvements.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

The state of the internal control system and internal audit function of the Group are explained in greater detail in the Statement on Risk Management and Internal Control within this Annual Report, as well as in Practices 11.1 and 11.2 of the CG Report.

iv. Uphold Integrity in Financial Reporting

The Directors are committed to ensuring that all disclosures to shareholders, investors and regulatory authorities present a balanced, clear and meaningful assessment of the Group's financial positions and prospects.

All financial statements, including the annual audited financial statements to shareholders and the quarterly financial results, were reviewed by the AC and recommended to the Board for approval. This process ensures the accuracy, adequacy and completeness of the information disclosed, as well as compliance with relevant accounting standards and regulatory requirements before public release or submission to the relevant authorities.

The Board, through the review by the AC and in consultation with the Management and the external auditors, has ensured the presentation of a fair and meaningful assessment of the Group's financial performance and position.

A summary of the AC's key activities in discharging its functions and duties in relation to financial reporting during the financial year is set out in the Audit Committee Report of this Annual Report.

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

i. Corporate Disclosure and Stakeholders Communication

The core communication channel with the stakeholders employed by the Company is via the announcements made in Bursa Securities. All announcements to be made in Bursa Securities are to be approved by the Board prior to their release. The Board is observing all disclosure requirements as laid down by MMLRs and the Capital Markets and Services Act 2007. The Board has adopted a practice for the disclosure of material information of the Group with assurance that communications to the relevant stakeholders are timely, factual, accurate, and complete. All material events and information are to be disseminated publicly and transparently on a timely basis to ensure fair and equitable access by all stakeholders without selective disclosure.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Additionally, the Annual Report is another main communication tool between the Company and its stakeholders. The Annual Report communicates comprehensive information on the financial results and activities undertaken by the Group. As a listed issuer, the contents and disclosure requirements of the Annual Report are governed by the MMLRs. To further improve the accessibility of Directors to shareholders and facilitate a deeper understanding of the Group's business and investment decisions, the Board Charter mandates that all Directors attend general meetings.

To facilitate communication with stakeholders and promote transparency in the timely dissemination of material information, the Company's corporate website incorporates an investor relations function providing relevant information about the Company and is accessible to public via www.ksl.my. Announcements made by the Company, annual reports, press releases, the Board Charter, Terms of Reference of the relevant Board Committees, as well as corporate governance policies, are made available on the website for public access.

Please refer to Practice 12.1 of the CG Report for further disclosure of stakeholders' communication.

ii. Encourage Shareholders' Participation at General Meetings

General meetings serve as the principal forum for dialogue between the Company and its shareholders. Shareholders are given the opportunity and encouraged to participate in the general meetings of the Company. The Board Charter includes the requirement that notice for AGM shall be given to shareholders at least 28 days prior to the meeting. However, the notice of the 25th AGM was given to shareholders twenty-six (26) clear days prior to the meeting. While this does not meet the recommended twenty-eight (28) days' notice period under Practice 13.1, it exceeds the twenty-one (21) days requirement under the MMLR. Please refer to Practice 13.1 of the CG Report for further disclosure on the distribution and content of the Notice of General Meeting, as well as the explanation for any departure from such practice.

To further promote shareholder participation, shareholders are allowed to appoint a proxy, who need not be a member of the Company, with no qualification imposed on the proxy.

Adequate time is given during general meetings to encourage and allow the shareholders to seek clarification or ask questions on pertinent and relevant matters. All Directors and the Company Secretary were physically present at the 25th AGM held during the financial year under review. Additionally, external auditors were also present at the 25th AGM to provide professional and independent clarification on issues and concerns raised by the shareholders during the meeting.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

In addition, the Company welcomes requests for meetings and interviews with professionals from the investment community and is always willing to meet with institutional investors when required.

iii. Poll Voting

Pursuant to Paragraph 8.29A(1) of the MMLR of Bursa Securities, the Company is required to ensure that any resolution set out in the notice of general meetings is to be voted on by poll. All resolutions put forth for shareholders' approval at the 25th AGM are voted on by way of poll voting.

iv. Proceedings during the General Meetings

The Group conducted its 25th AGM on 27 May 2025, in a fully physical format in compliance with the updated requirements under the MMLR, whereby virtual or fully virtual general meetings are no longer permitted with effect from 1 March 2025. The AGM was hosted physically at Johor Bahru, at the Company's own KSL Resort. While the AGM was not conducted in a hybrid mode, whereby greater participation from the shareholders could be anticipated, the venue selected for the physical AGM is a location in the town of Johor Bahru and is easily accessible by various modes of transportation. While the Company has not leveraged remote technology for voting and participation, further explanations of this departure from recommended practice are disclosed under Practice 13.3 of the CG Report.

Sufficient time was allocated to facilitate active shareholder engagement, including opportunities for shareholders to raise questions and seek clarification on the Company's affairs and proposed resolutions. The presence of all Directors and the External Auditors at the 25th AGM further enabled direct interaction and meaningful engagement with shareholders. Additional information on shareholder engagement at general meetings is disclosed under Practice 13.4 of the CG Report.

All pertinent questions raised by the shareholders prior to the date of the general meeting and during the general meeting, as well as the corresponding answers provided by the Board during the AGM, were compiled and recorded in the minutes of the meeting. The minutes of the 25th AGM was uploaded to the Company's corporate website within 30 business days following the conclusion of the meeting. Kindly refer to Practice 13.6 of the CG Report in relation to the practice on the publication of minutes of the meeting and key matters discussed within 30 business days after the conclusion of the general meeting.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Key Focus Areas and Future Priorities

The Board remains committed to strengthening the Company's corporate governance framework and will continue to enhance its practices in line with the MCCG 2021, taking into consideration the Group's evolving business needs and operational requirements.

The Company was considered a Large Company during the financial year 31 December 2025. Accordingly, the Board acknowledges that certain practices applicable to Large Companies are currently being progressively implemented and will take measured and appropriate steps to align with these practices over time.

In the near term, the Board will focus on strengthening Board independence and composition, including reviewing the balance of skills, experience, and independence among Directors. The Board will also broaden its sourcing of potential Director candidates, especially INEDs, by leveraging independent and external channels to enhance diversity, objectivity, and overall Board effectiveness.

The Board will also prioritise the formalisation of policies and procedures to assess the suitability, objectivity, and independence of external auditors. In addition, enhancements will be made to internal processes relating to general meetings, including efforts to ensure that AGM notices are issued at least 28 days in advance and to further improve overall meeting practices to facilitate better planning and shareholder engagement.

Over the medium term, the Board will explore the adoption of technology-enabled or hybrid general meetings to encourage broader shareholder participation and improve accessibility, taking into consideration regulatory developments and operational readiness.

In the longer term, the Board will consider the adoption of integrated reporting to provide a more holistic and comprehensive view of the Group's strategy, performance, and value creation. The Board will continue to strengthen its governance practices to ensure alignment with evolving regulatory expectations, best practices, and stakeholder interests.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Additional Compliance Statement

- **Material Contracts or Loan Involving the Interests of the Directors, Chief Executive or Major Shareholders**

Except for recurrent related party transactions as disclosed below, there was no other material contract or loan subsisting at the financial year ended 31 December 2025 or entered into since the end of the financial year by the Company and its subsidiaries which involves the interests of the Director, Chief Executive, who is not a Director or major shareholder.

- **Recurrent Related Party Transactions**

The recurrent related party transactions entered into by the Group during the financial year under review are disclosed in Note 31 to the Financial Statements on page 185 of this Annual Report.

- **Employee Share Scheme**

The Company did not establish any employee share scheme, and there was no subsisting employee share scheme during the financial year under review.

- **Utilisation of Proceeds**

The Company did not implement any fundraising exercise during the financial year ended 31 December 2025.

The Board reviewed and approved this Statement on 21 April 2026.

ADDITIONAL COMPLIANCE INFORMATION

Disclosure of Financial Data for Shariah Screening

Pursuant to Paragraph 9.25A of the Main Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah Screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(A) Group Total Income and Total Assets

Total Income	Group	
	2025 (RM)	2024 (RM)
Revenue	1,514,711,414	1,376,660,693
Interest Income	9,220,540	15,309,742
Other Income	143,455,339	72,215,704
Total	1,667,387,293	1,464,276,139
Total Assets	6,060,950,707	5,003,093,618

(B) Business Activities

Shariah Non-Compliant Activities	Group	
	2025 (RM)	2024 (RM)
Interest Income	9,220,540	15,309,742
Non-halal food and beverages (F&B) including F&B without halal certification from JAKIM or any certification bodies recognized by JAKIM	931,922	2,720,191
Rental Income received from tenant involved in Shariah non-compliant activities	34,586,066	27,171,549
Total	44,738,528	45,291,482

ADDITIONAL COMPLIANCE INFORMATION (CONT'D)

Disclosure of Financial Data for Shariah Screening (cont'd)

(C) Component of Financial Position

(i) Cash Component

Islamic Account/Instruments	Group	
	2025 (RM)	2024 (RM)
Islamic Account/Instruments		
Cash at bank (exclude cash in hand)	1,407	1,466
Cash held under Islamic Housing Development Accounts	3,157,282	-
Total	3,158,689	1,466
Conventional Account/Instruments		
Cash at bank (exclude cash in hand)	282,450,719	148,066,213
Cash held under Conventional Housing Development Accounts	33,028,917	10,361,598
Money Market instruments	1,987,649	51,921,426
Total	320,642,567	210,349,237

(ii) Debt Component

Islamic Financing	Group	
	2025 (RM)	2024 (RM)
Current		
Revolving credit and financing	202,200,000	-
Non-Current	-	-
Total	202,200,000	-

Conventional Borrowing	Group	
	2025 (RM)	2024 (RM)
Current		
Term Loans	-	19,186,232
Revolving credit and financing	629,523,333	390,000,000
Non-Current		
Term loans	-	8,501,000
Total	629,523,333	417,687,232

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

Pursuant to paragraph 15.26(b) and Practice Note 9 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Main Market Listing Requirements (“Listing Requirements”) in relation to the requirement to prepare statement on the state of risk management and internal control of the listed issuer as a group, and as guided by the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Companies (“the Guidelines”) and the Malaysian Code on Corporate Governance 2021 (“MCCG”), the Board of Directors (“the Board”) of KSL Holdings Berhad (“KSL” or “the Company”) (collectively with its subsidiaries, “the Group”) is pleased to present the statement on the state of the risk management and internal control of the Group for the financial year ended 31 December 2025. The scope of this Statement includes the Company and its wholly owned subsidiaries.

BOARD RESPONSIBILITIES

The Board affirms its overall responsibility for maintaining a sound governance, risk management and internal control system, as well as for reviewing its adequacy and effectiveness so as to achieve the Group’s business objectives and strategies, as well as to safeguard all its stakeholders’ interests and protect the Group’s assets. The Board establishes the Group’s risk appetite based on the corporate objectives, strategies, external environment, business nature and corporate lifecycle. The Board is committed to the establishment and maintenance of an appropriate control environment that is embedded into the corporate culture, processes and strategies of the Group. The Board delegates the duty of identification, assessment and management of key business risks to the Risk and Sustainability Management Committee (“RSMC”) while the oversight roles are delegated to the Risk Management Committee (for risk management) and Audit Committee (for internal control system). The Risk Management Committee and Audit Committee are assigned the duty, through their Terms of Reference approved by the Board, to assure the Board on the adequacy and effectiveness of risk management and internal control system of the Group, respectively. Through the Risk Management Committee and Audit Committee, the Board is kept informed of all significant control issues brought to the attention of the Risk Management Committee and Audit Committee by the Management, the internal audit function and the external auditors.

The system of internal control covers, inter alia, control environment, risk assessment, control activities, information and communication, as well as monitoring activities. However, given the inherent limitations of any internal control system, the system of internal control is designed to manage, rather than to eliminate, the risk of failure in achieving the Group’s business objectives. Accordingly, the system of internal control provides reasonable, rather than absolute, assurance against material misstatements, losses, or fraud.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

RISK MANAGEMENT

The Board recognises risk management as an essential part of the internal control system and acknowledges that a sound risk management system is critical in the pursuit of its strategic objectives. The Board maintains an ongoing commitment to identifying, evaluating and managing significant risks faced by the Group during the financial year under review. To support this, the Board has put in place a structured Group Risk Management Policy that is integrated as the governance structure and processes for the risk management on an enterprise-wide basis, in order to embed the risk management practice into all levels of the Group and to manage key business risks faced by the Group adequately and effectively. The duties for the identification, evaluation, and management of the key business risks are delegated to RSMC, which is led by the Executive Chairman. The Group Risk Management Policy is established with reference to ISO 31000:2018 - Risk Management Guidelines.

The Group Risk Management Policy lays down the risk management objectives and processes defined by the Board, with a formalised governance structure of the risk management activities of the Group established as follows:



STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

The Group's governance structure for risk management is designed, in all material respects, in line with the Institute of Internal Auditors ("IIA") Three Lines Model. Under this structure, Risk Owners, under the leadership of Senior Management, assume the role of the First Line and are responsible for identifying, managing and monitoring risks within their respective areas of responsibility.

The RSMC, supported by the appointed Key Risk and Sustainability Officer ("KRSO"), perform the Second Line role by facilitating and coordinating the implementation of the Group Risk Management Policy across the Group, and monitoring risk management activities undertaken by Risk Owners. The RSMC reports regularly to the Risk Management Committee, which in turn reports to the Board on key risk matters requiring its attention, deliberation and decision-making. The Internal Audit Function assumes the Third Line role by conducting independent reviews of the Group's internal control system. The Internal Audit Function reports its audit findings to the Audit Committee, which subsequently reports to the Board on its review of the state of the Group's internal control system.

Clear roles and responsibilities of the Board, the Risk Management Committee, the RSMC, Risk Owners, the KRSO and the Internal Audit Function are defined in the Group Risk Management Policy. In particular, the roles and responsibilities of the RSMC, supported by KRSO, in relation to risk management are listed as follows:-

- a. implement the risk management policy as approved by the Board;
- b. implement the risk management process, which includes the identification of key risks and devising appropriate action plan(s) in cases where existing controls are ineffective, inadequate or non-existent and communicate methodology to the risk owners;
- c. ensure that risk strategies adopted are aligned with the Group's organisational strategies (e.g. vision / mission, corporate strategies / goals, etc.), risk management policy and process, as well as risk appetite/ tolerance;
- d. continuous review and update of the Key Risk Profiles of the Group due to changes in internal business processes, business strategies or external environment and determination of management action plan, if required;
- e. update the Board, through the Risk Management Committee, on changes to the Key Risk Profiles on a periodic basis (at least on an annual basis) or when appropriate (due to significant change to the internal business processes, business strategies or external environment) and the course of action to be taken by Management in managing the changes; and
- f. to perform risk identification and assessment in relation to major asset/ business acquisition or divestment, or business diversification or business consolidation and to report the results of the assessment to the Board for strategic decision making.

The KRSO, as part of the RSMC, serves as the central coordinator and advisor for key risk and sustainability matters, supports Risk Owners in implementing effective controls, consolidates risk information, and ensures timely reporting to the Risk Management Committee and the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Apart from the duty to monitor the implementation of, and compliance with, the Group's approved risk policies and processes, and to ensure that significant identified risks are being responded to appropriately, the Risk Management Committee is entrusted with the duty to review and assess the adequacy and effectiveness of the risk management strategies, governance structure and processes, risk monitoring and responses, and to report to the Board on the results of its oversight roles and recommendations.

In addition, the Risk Owners (i.e. the Heads of Department/Division), under the leadership of the Senior Management, are designated within their areas of expertise and are delegated with the following responsibilities:

- a. manage the risks of the business processes under his/her control;
- b. continuously identify risks and evaluate existing controls. If controls are deemed ineffective, inadequate or non-existent, establish and implement controls to reduce the likelihood and/or impact;
- c. to report to the RSMC the emergence of new business risks or changes in the existing business risks in a timely manner and assist RSMC with the development of the management action plans and implement these action plans;
- d. assist the RSMC with the changes in the Key Risk Profile, management action plans and the status of these plans; and
- e. ensure that staff working under him/her understand the risk exposure of the relevant process under his/her duty and the importance of the related controls.

Systematic risk management process is stipulated in the Group Risk Management Policy, whereby each step of the risk identification, risk assessment, control identification, risk treatment and control activities is laid down for application by the RSMC, supported by the KRISO and the Risk Owners. Identified risks include sustainability matters identified during the sustainability assessment process. Risk assessment, at gross and residual levels, is guided by the likelihood rating and impact rating established by the Board based on the risk appetite acceptable by the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Key Risk Profile is compiled by RSMC with the participation of the Risk Owners, with relevant key risks identified and rated based on the agreed-upon risk rating. The Key Risk Profile is used for the identification of high residual risks that are above the risk appetite of the Group that require the Management and the Board's immediate attention and risk response(s), as well as for future risk monitoring. As an important risk monitoring mechanism, RSMC is scheduled to review the Key Risk Profile of key operating subsidiaries and assessment of emerging risks identified at strategic and operational levels on an annual basis or on a more frequent basis if circumstances require and to report to the Risk Management Committee on the results of the review and assessment.

During the financial year under review, the Risk Management Committee met once to review and assess the adequacy and effectiveness of the risk management framework, including policies, processes and supporting systems. The Risk Management Committee also reviewed, assessed and deliberated the risk profile presented, with responses and strategies formulated to the key strategic and operational risks deliberated and reported to the Board on the results of its review.

At the strategic level, business plans, business strategies and investment proposals with risk consideration are formulated by the Executive Chairman, Group Managing Director and/or Senior Management and presented to the Board for review and deliberation to ensure proposed plans and strategies are in line with the Group's risk appetite approved by the Board. In addition, specific strategic and key operational risks are highlighted and deliberated by the Audit Committee, Risk Management Committee and/or the Board during the review of the financial performance of the Group in the scheduled meetings.

Respective Risk Owners (i.e. the Heads of Department/Division) are responsible for managing the risks within their responsibilities. Risk Owners are responsible for effective and efficient operational monitoring and management by way of maintaining effective internal controls and executing risk and control procedures on a day-to-day basis. Changes in key risks, or the emergence of new key risks, are identified through daily operational management and controls, as well as the review of financial and operational reports by respective levels of Management. These reports are generated by the internal management information system and are supplemented by relevant external data and information collected.

Respective Risk Owners are also responsible for assessing changes in both existing and emerging risks, and for formulating and implementing effective controls to manage these risks. Critical or material risks are highlighted to the Senior Management or the RSMC for final decision on the formulation and implementation of effective internal controls, and for subsequent reporting to the Audit Committee, the Risk Management Committee and/or the Board.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

The monitoring of the risk management by the Group is enhanced by the internal audits carried out by the outsourced internal audit function, with specific audit objectives and business risks identified for each internal audit cycle based on the internal audit plan approved by the Audit Committee.

The above process has been practised by the Group for the financial year under review and up to the date of approval of this statement.

INTERNAL CONTROL SYSTEM

The key features of the Group's internal control systems are made up of five core components, i.e. Control Environment, Risk Assessment, Control Activities, Information and Communication and Monitoring Activities, with principles representing the fundamental concepts associated with each component explained as follows:-

- **Board of Directors/Board Committees**

The role, functions, composition, operation and processes of the Board are guided by a formal Board Charter whereby roles and responsibilities of the Board, the Chairman and the Group Managing Director are specified to preserve the independence of the Board from the Management.

Board Committees (i.e. Audit Committee, Remuneration Committee, Nomination Committee and Risk Management Committee) are established to carry out duties and responsibilities delegated by the Board, governed by written terms of reference.

Meetings of the Board and respective Board Committees are carried out on a scheduled basis to review the financial and operational performance of the Group. Potential business plans and business strategies are proposed by the Senior Management for the Board's review and approval, after taking into consideration the risks and responses thereto.

- **Integrity and Ethical Value**

The tone from the top on integrity and ethical values is enshrined in the formal Code of Conduct and Ethics established and approved by the Board. This formal code forms the foundation of integrity and ethical value for the Group. Integrity and ethical values expected from the employees are incorporated in the Employee Handbook, whereby the ethical behaviours and proper conduct expected from employees in performing their duties and responsibilities assigned are established and stated therein.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

To further enhance the ethical values throughout the Group, a formal Conflict of Interest (COI) Framework, as well as Related Party Transaction and Conflict of Interest Policy and Procedures, were established and approved by the Board for implementation by the Management to reduce and manage the risk of conflict of interest within the Group.

As the Group is committed to conducting all business dealings in a responsible, transparent and ethical manner with integrity, a formal Group Anti-Bribery & Anti-Corruption Policy has been put in place by the Management to prevent the risk of bribery and conflict of interest within the Group.

A formal Whistle-Blowing Policy is established and approved by the Board to provide a channel for employees and other stakeholders to raise genuine concerns about possible improprieties in matters of financial reporting, compliance and other malpractices at the earliest opportunity, without fear of reprisals.

Compliance with the Code of Conduct and Ethics and the Group Anti-Bribery & Anti-Corruption Policy is monitored via a control monitoring mechanism implemented with non-compliances detected in a timely manner and investigated with appropriate corrective action, including but not limited to disciplinary actions, taken to rectify non-compliance.

- **Organisation Structure, Accountability and Authorisation**

The Group has a well-defined organisation structure in place with clear lines of reporting and accountability. The Group is committed to employing suitably qualified employees so that the appropriate level of authorities and responsibilities can be delegated while accountability of performance and controls are assigned accordingly to competent staff to ensure operational efficiency. The authorisation requirements of the key internal control points of key business processes are incorporated in the design of the relevant forms, as well as stated in the Group's policies and procedures.

- **Risk Assessment and Control Activities**

Risk assessment is performed by Risk Owners at scheduled intervals or when there is a change in internal and/or business context in accordance with the Group Risk Management Policy. Internal controls, as risk responses, are formulated and put in place to mitigate risks that are identified to a level acceptable to the Board.

The Group has documented policies and procedures that are regularly reviewed and updated to ensure their relevance to support the Group's business activities in achieving the Group's business objectives.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

- **Human Resource Policy**

Comprehensive guidelines on human resource management and Employee Handbook are in place to ensure the Group's ability to operate effectively and efficiently by employing and retaining adequate competent employees who possess the necessary knowledge, skill and experience (which are enhanced by continuous training thereafter) to carry out their duties and responsibilities effectively and efficiently.

Performance evaluation, which forms the basis of increments and promotions, is carried out for all levels of employees to identify performance gaps, training needs, and to assist in talent development. On-the-job training is provided to employees to upgrade their knowledge and skill sets.

- **Information and Communication**

At the operational level, clear reporting lines are established across the Group, and operational reports are prepared for dissemination to relevant personnel for effective communication of critical information throughout the Group and for timely decision making and execution in pursuit of business objectives. Matters that require attention from the Board and the Senior Management are highlighted for review, deliberation and decision on a timely basis.

The Group puts in place effective and efficient information and communication infrastructures and communication channels (i.e. computerised systems, secured intranet, electronic mail system and modern telecommunication) so that operational data and management information can be communicated in a timely and secure manner to dedicated personnel within the Group for decision making and for communication with relevant external stakeholders.

Apart from that, relevant financial and management reports are generated for different levels of management and employee for their review and decision making. The management and board meetings are held for effective two-way communication of information at different levels of Management and the Board.

Communication of policies and procedures of the Group is conducted or disseminated via written form, information boards, electronic mail system and in-house training.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

- **Monitoring and Review**

As Executive Directors are closely and directly involved in the daily operations of the Group, regular reviews of operational data, including development progress, operational performance of hotels and malls, marketing and financial data are performed by the Executive Directors. In addition, the quarterly financial performance review, which contains key financial results and comparison against previous corresponding financial results, is presented to the Board for their review.

Periodical management meetings are held to discuss and review the financial and operational performance of key divisions/departments of the Group. The monitoring of compliance with relevant laws and regulations is further enhanced by the review of specific areas of safety, health and environment carried out by independent consultants engaged by the Group and the enforcement bodies.

Apart from the above, operational and financial performance reports are also presented by the Senior Management during the Board meetings for the Board to assess the operational performance and future prospects of the Group as well as the external environment faced by the Group ahead.

Furthermore, internal audits are carried out by the outsourced internal audit function (which reports directly to the Audit Committee) based on the key risk areas identified. The outsourced internal audit function assesses the adequacy and effectiveness of internal controls in relation to specific governance, risk and control processes, and highlights potential risks and implications of its observations that may impact the Group, as well as recommends improvements on the observations made to minimise the risks. The results of the internal audits carried out are reported to the Audit Committee.

INTERNAL AUDIT FUNCTION AND ACTIVITIES

The review of the adequacy and effectiveness of the Group's risk management and internal control system is outsourced to an independent professional firm, namely, NeedsBridge Advisory Sdn Bhd, which, through the Audit Committee, provides the Board with much of the assurance it requires in respect of the adequacy and effectiveness of the Group's system on risk management and internal control.

To uphold the professional firm's independence and objectivity, the outsourced internal audit function reports directly to the Audit Committee. The outsourced internal audit function is not permitted to act on behalf of the Management, decide and implement management action plan, perform on-going internal control monitoring activities (except for follow up on progress of action plan implementation), authorise and execute transactions, prepare source documents on transactions, have custody of assets or act in any capacity equivalent to a member of the Management or the employee.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

The internal audits are carried out by the outsourced internal audit function, in material aspects, in accordance with the International Professional Practices Framework (“IPPF”), including the Global Internal Audit Standards and Topical Requirements established by the Institute of Internal Auditors Global (“IIA Global”). The engagement senior director, Mr. Pang Nam Ming, is a Certified Internal Auditor (“CIA”), and holds a Certification in Risk Management Assurance (“CRMA”) accredited by the IIA Global and is a professional member of the Institute of Internal Auditors Malaysia (“IIAM”). As a CIA, the engagement senior director is required to declare his conformance with the Standards of the Institute of Internal Auditors during the renewal of his certification.

The audit engagement of the outsourced internal audit function is governed by an engagement letter, which outlines key terms including the purpose and scope of work, accountability, independence, the outsourced internal audit function’s responsibilities, management’s responsibilities, the authority granted to the outsourced internal audit function, limitations of scope of work, confidentiality, proposed fees, and the engagement team. The audit engagement is also governed by the Group’s Internal Audit Charter, which has been established and approved by the Board.

The appointment or resignation of the outsourced internal audit function, as well as the proposed audit fees, are subject to review by the Audit Committee and subsequently reported to the Board for ultimate approval. During the financial year under review, the resources allocated by the outsourced internal audit function for the internal audit fieldwork comprised one (1) assistant manager and were assisted by at least one (1) senior consultant and one (1) consultant per engagement, with planning, supervision and execution oversight performed by the director.

The risk-based internal audit plan in respect of the financial year ended 31 December 2025 was drafted by the outsourced internal audit function, after taking into consideration the existing and emerging key business risks identified in the key risk registers of the Group, the Senior Management’s opinion and previous internal audits performed. It was reviewed and approved by the Audit Committee prior to execution. Each internal audit cycle within the internal audit plan is specific with regard to audit objective, key risks to be assessed and the scope of the internal control review.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

As part of the Third Line role, the internal control review procedures performed by the outsourced internal audit function are designed to understand, document and evaluate risks and related controls in order to assess the adequacy and effectiveness of governance, risk and control structures as well as control processes. The outsourced internal audit function provides recommendations formulated based on the root cause(s) of the internal audit observations. The internal audit procedures applied principally consist of process evaluations through interviews with relevant personnel involved in the process under review, review of the standard operating procedures and/or process flows provided, as well as observations of the functioning of processes against the results of interviews and/or documented standard operating procedures and/or process flows. Thereafter, testing of controls is performed for the respective audit areas through the review of the samples selected based on sample sizes calculated in accordance with a predetermined formulation, subject to the availability of financial data, nature of testing and verification of the samples.

During the financial year ended 31 December 2025, based on the internal audit plan (and any amendments thereof) approved by the Audit Committee and the Board, the outsourced internal audit function has conducted internal control reviews on Housekeeping Management and Front Office Management of its key operating subsidiaries based in Malaysia.

Upon completion of the internal audit fieldwork during the financial year, the internal audit reports were presented to the Audit Committee during its scheduled meetings. During the presentation, the internal audit observations, priority levels, risks/potential implications, internal audit recommendations, management responses/ action plans, person-in-charge and the dates of implementation were presented to and deliberated with the members of the Audit Committee. This enables the Audit Committee to form an opinion on the adequacy and/or effectiveness of the governance, risk and controls of the business processes under review.

Apart from the above, the outsourced internal audit function performed progress follow-up reviews on management action plans that had not been implemented during previous audit cycles. Verification was conducted either through physical observation or by reviewing supporting samples provided by the respective persons-in-charge to substantiate the implementation status of the management action plans. The updates on the implementation progress of the management action plans were compiled in an Action Plan Progress Follow-Up Report, which was tabled at subsequent Audit Committee meetings for review and deliberation.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

In addition, during the scheduled Audit Committee meetings, the outsourced internal audit function reported on its staffing resources, including staff strength, qualifications, experience, as well as continuous professional education for the Audit Committee's review.

The cost incurred for maintaining the outsourced internal audit function for the financial year ended 31 December 2025 amounted to RM 58,718.

ASSURANCE PROVIDED BY EXECUTIVE CHAIRMAN AND GROUP MANAGING DIRECTOR

In line with the Guidelines, the Executive Chairman, being highest ranking executive in the Company and the Group Managing Director, being the person primarily responsible for the management of the financial affairs of the Company, have provided assurance to the Board stating that the Group's risk management and internal control system have operated adequately and effectively, in all material aspects, to meet the Group's objectives during the financial year under review.

OPINION AND CONCLUSION

Based on the review of the risk management results and process, results of the internal audit activities as well as the monitoring and review mechanism stipulated above, coupled with the assurance provided by the Executive Chairman and the Group Managing Director, the Board is of the opinion that the risk management and internal control system are satisfactory and have not resulted in any material losses, contingencies or uncertainties that would require disclosure in the Group's Annual Report. The Board continues to take pertinent measures to sustain and, where required, to improve the Group's risk management and internal control system in meeting the Group's strategic objectives.

The Board is committed towards maintaining an adequate and effective governance, risk management and internal control system throughout the Group and, where necessary, to put in place appropriate plans to further enhance the Group's governance, risk management and internal control system. Notwithstanding this, the Board will continue to evaluate and manage the significant business risks faced by the Group in order to achieve its business objectives in the current and challenging business environment.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

REVIEW OF STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL BY EXTERNAL AUDITORS

Pursuant to paragraph 15.23 of the Listing Requirements, the External Auditors have reviewed this Statement on Risk Management and Internal Control. Their review was performed in accordance with Audit and Assurance Practice Guide (“AAPG”) 3: Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report, issued by the Malaysian Institute of Accountants (“MIA”). Based on their review, nothing has come to their attention that causes them to believe this Statement is not prepared, in all material aspects, in accordance with the disclosures required by the Guidelines and Practices 10.1 and 10.2 of the Malaysian Code on Corporate Governance 2021 to be set out, nor is it factually incorrect.

LIST OF MAJOR PROPERTIES HELD BY THE GROUP AS AT 31 DECEMBER 2025

No.	Lot No.	Description	Land Area	Existing Use	Tenure	Approximate Age	Net Book Value as at 31.12.2025	Date of Last Revaluation or if none, Date of Acquisition
01.	PTB 22817 Mukim of Johor Bahru District of Johor Bahru Johor Darul Takzim	Commercial	295,515	KSL City	Freehold	13	597,380,000	31.12.2025
02.	PT 143339 Mukim of Klang District of Klang Selangor Darul Ehsan	Commercial	788,000	KSL Esplanade Mall	Freehold	3	329,000,000	31.12.2025
03.	Lot 84133 Mukim of Tebrau District of Johor Bahru Johor Darul Takzim	Subdivided land	3,233,903	Taman Kempas Indah	Freehold	-	272,200,815	16.08.2002
04.	Lot 113158, 113159, Lot 113162, 113164, Lot 113165, 55044, Lot 55054, 55056 & Lot 63409 Mukim of Pulau District of Johor Bahru Johor Darul Takzim	Land held for development	8,208,099	Taman Pulau Bestari	Freehold	-	268,456,392	20.03.2018
05.	Lot 55786 Mukim of Bukit Raja District of Petaling Jaya Selangor Darul Takzim	Land held for development	783,644	Blossom Square	Freehold	-	257,523,981	23.11.2023
06.	Lot 2437 Mukim of Terbau District of Johor Bahru Johor Darul Takzim	Subdivided land under development	8,486,176	Taman Bestari Indah	Freehold	-	197,642,099	27.02.2002
07.	PTD 163673-163674 Mukim Tebrau District of Johor Bahru Johor Darul Takzim	Land for development	5,137,998	KSL Business Park	Leasehold	-	151,743,398	12.03.2018
08.	Lot 46045 Mukim Tebrau District of Johor Bahru Johor Darul Takzim	Subdivided land under development	210,830	Vacant Land	Freehold	-	143,710,335	04.03.2025
09.	Lot 1799, 1807 Lot 24231 & 25782 Mukim Pulau District of Johor Bahru Johor Darul Takzim	Land for development	3,335,389	Vacant Land	Freehold	-	134,199,835	26.02.2024
10.	Lot 18973-19011, Lot 19013-19040, Lot 19048-19054, Lot 19062-19063 Lot 19105-19113 Lot 19041-19047, Lot 19055-19061, Lot 19114-19136 Mukim Simpang Kanan District of Batu Pahat Johor Darul Takzim	Land held for mix development	12,945,196	Bukit Banang	Freehold	-	124,702,594	30.01.2015

STATEMENT OF SHAREHOLDINGS AS AT 19 MARCH 2026

Total number of issued shares	: 1,073,424,128
Class of shares	: Ordinary shares
Voting rights	: One vote per share

ANALYSIS OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
Less than 100	799	15.806	30,441	0.003
100 - 1,000	963	19.050	492,926	0.046
1,001 - 10,000	1,990	39.367	9,197,994	0.857
10,001 - 100,000	1,034	20.455	32,531,807	3.031
100,001 to less than 5% of issued shares	267	5.282	365,976,543	34.094
5% and above of issued shares	2	0.040	665,194,417	61.969
Total	5,055	100.000	1,073,424,128	100.000

* Excluding a total of 20,292,400 ordinary shares bought back and retained as treasury shares.

THIRTY LARGEST SHAREHOLDERS

No.	Name	Holdings	%
1	PREMIERE SECTOR SDN BHD	342,719,776	31.928
2	NOBLE HERITAGE SDN BHD	322,474,641	30.042
3	HSBC NOMINEES (ASING) SDN BHD – EXEMPT AN FOR BANK JULIUS BAER & CO. LTD. (SINGAPORE BCH)	52,155,234	4.859
4	IFAST NOMINEES (ASING) SDN BHD – EXEMPT AN FOR IFAST FINANCIAL PTE. LTD.	50,048,326	4.662
5	UOB KAY HIAN NOMINEES (ASING) SDN BHD – EXEMPT AN FOR UOB KAY HIAN PTE LTD	44,071,308	4.106

STATEMENT OF SHAREHOLDINGS AS AT 19 MARCH 2026 (CONT'D)

No.	Name	Holdings	%
6	GORGEOUS HORIZON SDN BHD	24,499,819	2.282
7	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – EMPLOYEES PROVIDENT FUND BOARD (ABERISLAMIC)	14,568,700	1.357
8	UOB KAY HIAN NOMINEES (TEMPATAN) SDN BHD – EXEMPT AN FOR UOB KAY HIAN PTE LTD	12,032,244	1.121
9	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – EMPLOYEES PROVIDENT FUND BOARD (NOMURA)	9,000,000	0.838
10	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD – EXEMPT AN FOR KUMPULAN SENTIASA CEMERLANG SDN BHD	7,410,000	0.690
11	AMSEC NOMINEES (TEMPATAN) SDN BHD AMBANK (M) BERHAD	7,260,564	0.676
12	YAP LIM SEN	6,060,000	0.565
13	PUBLIC NOMINEES (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI	4,800,000	0.447
14	CIMB GROUP NOMINEES (ASING) SDN. BHD. – EXEMPT AN FOR DBS BANK LTD (SFS)	4,664,932	0.435
15	KHOO KENG GHIAP	4,202,801	0.392
16	MAYBANK NOMINEES (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK	3,989,537	0.372
17	DB (MALAYSIA) NOMINEES (TEMPATAN) SENDIRIAN BERHAD – DEUTSCHE BANK AG SINGAPORE CLT FOR LEE HAU HIAN (KSC (S) PTE LTD)	3,361,000	0.313
18	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – EMPLOYEES PROVIDENT FUND BOARD (NIAM EQ)	3,136,900	0.292
19	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – EMPLOYEES PROVIDENT FUND BOARD	2,853,700	0.266
20	LIM SOON HUAT	2,808,924	0.262
21	MAYBANK NOMINEES (TEMPATAN) SDN BHD – WONG TUNG ANN	2,790,975	0.260
22	RHB NOMINEES (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR WONG YEE HUI	2,507,266	0.234
23	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – EMPLOYEES PROVIDENT FUND BOARD (ISLAMIC)	2,339,500	0.218

STATEMENT OF SHAREHOLDINGS AS AT 19 MARCH 2026 (CONT'D)

No.	Name	Holdings	%
24	HLB NOMINEES (TEMPATAN) SDN BHD – PLEDGED SECURITIES ACCOUNT FOR LEE POH KWE	2,277,725	0.212
25	HSBC NOMINEES (TEMPATAN) SDN BHD – HSBC (M) TRUSTEE BHD FOR PRINCIPAL ISLAMIC SMALL CAP OPPORTUNITIES FUND	2,065,200	0.192
26	CITIGROUP NOMINEES (ASING) SDN BHD – CBNY FOR EMERGING MARKETS CORE EQUITY 2 PORTFOLIO OF DFA INVESTMENT DIMENSIONS GROUP INC.	2,025,676	0.189
27	MAYBANK NOMINEES (TEMPATAN) SDN BHD – MTRUSTEE BHD FOR NOMURA TNB RBTF (EQ)	1,860,000	0.173
28	MAYBANK NOMINEES (ASING) SDN BHD – NOMURA SINGAPORE LIMITED FOR BRANDA WONG E XION	1,853,385	0.173
29	LTK (MELAKA) SDN BHD	1,764,815	0.164
30	CITIGROUP NOMINEES (TEMPATAN) SDN BHD – URUSHARTA JAMAASH SDN. BHD. (NOMURA 2)	1,750,000	0.163

SUBSTANTIAL SHAREHOLDERS

According to the Register required to be kept under Section 144 of the Companies Act 2016, the following are the substantial shareholders of the Company:

No.	Name of Substantial Shareholders	No. of Shares	%
1	PREMIERE SECTOR SDN BHD	342,719,776	31.928
2	NOBLE HERITAGE SDN BHD	322,474,641	30.042
3	UOB KAY HIAN PTE LTD (A/C CLIENTS)	56,103,552	5.227

STATEMENT OF SHAREHOLDINGS AS AT 19 MARCH 2026 (CONT'D)

LIST OF DIRECTORS' SHAREHOLDINGS

No.	Directors	Number of Shares	% of Shares	Number of Shares	% of Shares
1	KHOO CHENG HAI @ KU CHENG HAI	-	-	694,801,008 ⁽²⁾	64.728
2	KU HWA SENG	-	-	689,694,236 ⁽²⁾	64.252
3	KU TIEN SEK	-	-	665,194,417 ⁽¹⁾	61.969
4	PANG AH KOW	-	-	-	-
5	TAN SWEE GEOK	204,392	0.019	-	-
6	WONG LEE LEE	-	-	-	-
7	KU EK MEI	-	-	24,499,819 ⁽¹⁾	2.282
8	KHOO LEE FENG	903,971	0.084	24,499,819 ⁽¹⁾	2.282
9	TAN KAI SENG	-	-	-	-

Notes:

- (1) Deemed interested through shareholdings by virtue of Section 8 of the Companies Act 2016.
- (2) Deemed interested pursuant to Section 8 and Section 59 (11) (c) of the Companies Act 2016.

PUBLIC SHAREHOLDING SPREAD

Category	Shareholders	%	Shareholdings	%
Directors	2	0.059	1,108,363	0.103
Substantial Shareholders	3	0.059	721,297,969	67.196
Shareholders Holding Less Than 100	799	15.806	30,441	0.003
Public Shareholdings	4,251	84.076	350,987,355	32.698
Total	5,055	100.00	1,073,424,128	100.00

KSL HOLDINGS BERHAD
(Incorporated in Malaysia)

**DIRECTORS' REPORT
AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2025**
(In Ringgit Malaysia)

KSL HOLDINGS BERHAD

(Incorporated in Malaysia)

FINANCIAL STATEMENTS

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DIRECTORS' REPORT

The directors of **KSL HOLDINGS BERHAD** have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITY

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries which are principally engaged in property development and hotel operations. The details of the subsidiaries are disclosed in Note 17 to the financial statements.

RESULTS OF OPERATIONS

The results of operations of the Group and of the Company for the financial year are as follows:

	Group RM	Company RM
Profit before tax	678,796,258	5,568,509
Income tax expenses	<u>(160,338,984)</u>	<u>(1,439,117)</u>
Profit for the financial year	<u>518,457,274</u>	<u>4,129,392</u>
Profit attributable to:		
Owner of the company	520,129,768	4,129,392
Non- controlling interests	<u>(1,672,494)</u>	<u>-</u>
	<u>518,457,274</u>	<u>4,129,392</u>

In the opinion of the directors, the results of operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

DIRECTORS' REPORT (CONT'D)

DIVIDENDS

	2025 RM	2024 RM
In respect of financial year ended 31 December 2024: Final dividend of RM0.08 per ordinary share, in which the entire portion are electable, paid on 12 August 2025	81,377,280	-

On 27 February 2026, the directors proposed a final dividend of RM0.10 per ordinary share, amounting to RM107,342,413 based on the outstanding issued and paid-up capital of 1,073,424,128 ordinary shares, in respect of the financial year ended 31 December 2025. The proposed dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2026.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital from RM699,234,524 to RM775,115,498 by way of issuance of 56,208,129 new ordinary shares amounting to RM75,880,974 arising from the Dividend Reinvestment Plan ("DRP") relating to the electable portion of the Final Dividend of RM1.35 per ordinary share in respect of the financial year ended 31 December 2024.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company. There were no other issuance of shares during the financial year.

There was no issuance of debentures by the Company during the financial year.

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Company were prepared, the directors took reasonable steps:

- (a) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that no known bad debts and that no allowance for doubtful debts was necessary; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Group and of the Company had been written down to an amount which the current assets might be expected so to realise.

DIRECTORS' REPORT (CONT'D)

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

- (a) which would render the writing off of bad debts or setting up of an allowance for doubtful debts in the financial statements of the Group and of the Company; or
- (b) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; or
- (c) not otherwise dealt with in this report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading; or
- (d) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

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

- (a) any charge on the assets of the Group and of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; and
- (b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

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

In the opinion of the directors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Group and of the Company for the financial year in which this report is made.

DIRECTORS

The directors of the Company in office during the financial year until the date of this report are:

Khoo Cheng Hai @ Ku Cheng Hai
Ku Hwa Seng
Ku Tien Sek
Pang Ah Kow
Tan Swee Geok
Wong Lee Lee
Khoo Lee Feng
Ku Ek Mei
Tan Kai Seng

DIRECTORS' REPORT (CONT'D)

The name of the directors of the Company's subsidiaries in office during the financial year and up to the date of this report other than those named above are as follows:

Khoo Keng Ghiap
Ku Wa Chong
Ku Keng Leong
Ku Keng Yaw
Ku Hui Mei

(appointed on 30 April 2025)

DIRECTORS' INTERESTS

The interests and deemed interest in the shares of the Group and of the Company and of its related corporations of those who were Directors at financial year end according to the Register of Directors' Shareholdings are as follows:

	<-----Number of ordinary shares----->			
	At 1 January 2025	Additions	Transfer/ Disposal	At 31 December 2025
Company				
Direct interest				
Khoo Cheng Hai @ Ku Cheng Hai	108,394,051	-	(108,394,051)	-
Ku Hwa Seng	104,889,521	-	(104,889,521)	-
Ku Tien Sek	78,771,457	-	(78,771,457)	-
Khoo Lee Feng	853,400	50,571	-	903,971
Tan Swee Geok	287,392	17,000	(100,000)	204,392
Indirect interest (+)				
Khoo Cheng Hai @ Ku Cheng Hai	4,821,080	285,692	-	5,106,772
Deemed interest (#)				
Khoo Cheng Hai @ Ku Cheng Hai	323,546,642	19,173,134	-	342,719,776
Ku Hwa Seng	323,546,642	19,173,134	-	342,719,776
Ku Tien Sek	323,546,642	19,173,134	-	342,719,776
Deemed interest (*)				
Khoo Cheng Hai @ Ku Cheng Hai	23,129,200	1,370,619	-	24,499,819
Ku Hwa Seng	23,129,200	1,370,619	-	24,499,819
Deemed interest (**)				
Khoo Lee Feng	23,129,200	1,370,619	-	24,499,819
Ku Ek Mei	23,129,200	1,370,619	-	24,499,819

DIRECTORS' REPORT (CONT'D)

	<-----Number of ordinary shares----->			
	At 1 January 2025	Additions	Transfer/ Disposal	At 31 December 2025
Deemed interest (^)				
Khoo Cheng Hai @ Ku Cheng Hai	-	322,474,641	-	322,474,641
Ku Hwa Seng	-	322,474,641	-	322,474,641
Ku Tien Sek	-	322,474,641	-	322,474,641

+ By virtue of his children's direct shareholding

Held through Premiere Sector Sdn. Bhd.

* Held through Gorgeous Horizon Sdn. Bhd. by their children

** Held through Gorgeous Horizon Sdn. Bhd

^ Held through Nobel Heritage Sdn. Bhd.

By virtue of their interests in the shares of the Company, Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng, Ku Tien Sek, Khoo Lee Feng and Ku Ek Mei are also deemed to have beneficial interest in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

None of the other directors in office at the end of the financial year hold any shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of fees and emoluments received or due and receivable by the directors as shown below) by reason of a contract made by the Company with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest other than certain directors who have substantial financial interests in companies which traded with the Company in the ordinary course of business, other than as disclosed in Note 31 to the financial statements.

DIRECTORS' REPORT (CONT'D)

The details of the directors' remuneration for the financial year ended 31 December 2025 are set out below:

	Group RM	Company RM
<u>Directors of the Company:</u>		
Executive directors:		
Salary and other emoluments	28,966,000	225,000
Defined contribution plan	4,928,600	31,350
Social security contributions	5,014	2,228
	<u>33,899,614</u>	<u>258,578</u>
Non-executive directors:		
Fee	90,000	90,000
Salary and other emoluments	15,000	15,000
	<u>105,000</u>	<u>105,000</u>
<u>Directors of the subsidiaries:</u>		
Salary and other emoluments	9,549,000	-
Defined contribution plan	1,528,110	-
Social security contributions	5,767	-
	<u>11,082,877</u>	<u>-</u>

During and at the end of the financial year, no arrangement subsisted to which the Company was a party whereby the Director of the Company might acquire benefits by means of the acquisition of share in, or debentures of, the Company or any other body corporate.

INDEMNITY AND INSURANCE COSTS

There were no indemnity given to or insurance effected for any Directors, officers and auditors of the Group and of the Company in accordance with Section 289 of the Companies Act, 2016.

DIRECTORS' REPORT (CONT'D)

AUDITOR'S REMUNERATION

The amount paid or payable as remuneration of the auditors of the Group and of the Company for the financial year ended 31 December 2025 are as follows:

	Group RM	Company RM
Auditors' remuneration:		
Statutory audit	362,000	25,000
Other services	11,700	5,000
	<u>373,700</u>	<u>30,000</u>

MATERIAL LITIGATION

The details of the material litigation are disclosed in Note 36 to the financial statements.

SIGNIFICANT EVENTS

The details of the significant events are disclosed in Note 37 to the financial statements.

SUBSEQUENT EVENT

The details of the subsequent event are disclosed in Note 38 to the financial statements.

DIRECTORS' REPORT (CONT'D)

AUDITORS

The Auditors, Morison LC PLT have indicated their willingness to continue in office.

Signed on behalf of the Board, as approved by the Board,
in accordance with a resolution of the directors,

KHOO CHENG HAI @ KU CHENG HAI

KU HWA SENG

Petaling Jaya
21 April 2026

STATEMENT BY DIRECTORS

The directors of **KSL HOLDINGS BERHAD** state that, in their opinion, the accompanying financial statements, are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 December 2025 and of the financial performance and the cash flows of the Company for the year ended on that date.

Signed on behalf of the Board, as approved by the Board
in accordance with a resolution of the directors,

KHOO CHENG HAI @ KU CHENG HAI

KU HWA SENG

Petaling Jaya
21 April 2026

DECLARATION BY THE DIRECTOR PRIMARILY RESPONSIBLE FOR THE FINANCIAL MANAGEMENT OF THE COMPANY

I, **KHOO CHENG HAI @ KU CHENG HAI**, the director primarily responsible for the financial management of **KSL HOLDINGS BERHAD**, do solemnly and sincerely declare that the accompanying financial statements are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

KHOO CHENG HAI @ KU CHENG HAI

Subscribed and solemnly declared by the abovenamed **KHOO CHENG HAI @ KU CHENG HAI** at **PETALING JAYA** in the state of Selangor Darul Ehsan on 21 April 2026.

Before me,

COMMISSIONER FOR OATHS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD

(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **KSL HOLDINGS BERHAD**, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 125 to 204.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (CONT'D)

Key Audit Matters

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

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

Key audit matter	How we addressed the key audit matter
<p>Revenue and cost recognition for property development activities</p> <p>Refer to Notes 3, 4, 5 and 19(b) to the financial statements for the Group's accounting policies on revenue recognition from property development, key sources of estimation uncertainty and related disclosure.</p> <p>The Group's revenue from sale of development properties amounted to RM1,087,327,137, represent approximately 72% of the Group's revenue.</p> <p>The Group recognises revenue from property development activities using the cost-based input method, which is measured on the basis of the Group's efforts or inputs to the actual property development costs incurred to date relative to the total estimated total property development costs.</p> <p>We determined this to be a key audit matter given its magnitude relative to the Group's revenue as well as the significant judgements and estimates involved in the following areas:</p> <ul style="list-style-type: none"> • progress of completion of the performance obligations; and • budgeting process in estimating the total property development cost. 	<p>Our audit procedures, performed in this area included, among others:</p> <ul style="list-style-type: none"> • Obtained understanding of the revenue recognition process, including the accuracy and timing of revenue recognition towards satisfaction of performance of obligation, and tested the associated relevant controls surrounding revenue recognition; • Evaluated the reasonableness of the estimated total property development costs of major projects by examining the supporting documentation and interviewing the project teams; • Performed test of details on actual development cost and construction cost incurred during the financial year as to whether the costs incurred are valid and in the correct accounting period; • Checked the mathematical accuracy of the revenue and profit based on percentage completion calculation; and • Performed search for unrecorded liabilities, and evaluated accruals made in respect of work performed by subcontractors of which invoice or contractors' interim certificate has yet to be received as at financial year end, by reviewing the basis of estimation of the amount accrued.

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (CONT'D)

Key Audit Matters (cont'd)

Key audit matter	How we addressed the key audit matter
<p>Valuation of investment properties</p> <p>Refer to Notes 3, 4 and 16 to the financial statements for the Group's accounting policies on investment properties, key sources of estimation uncertainty and related disclosures.</p> <p>The valuations were carried out annually by third party independent valuers engaged by the Group, and the models used to determine the fair values depend on the nature of the properties.</p> <p>We identified the valuation on investment properties as a key audit matter due to complexities in determining the fair value of the investment properties, which involved significant estimates and judgements in determining the appropriate valuation methodologies and estimating the underlying assumptions to be applied.</p>	<ul style="list-style-type: none"> • Our audit procedures, performed in this area included, among others: • We read the valuation reports issued by independent external professional valuers to management. Based on these reports, we discussed and assessed the appropriateness of the valuation methodologies and assumptions used in the valuation by the independent external professional valuers; • We assessed the independent external professional valuers' competency, capabilities and objectivity by checking the valuers' qualifications and their registration with the respective professional boards; • We carried out the following procedures to assess the inputs underpinning the valuation of the investment properties: <ul style="list-style-type: none"> - Tested the accuracy of rental rates, rental periods, net lettable area and outgoing expenses against the underlying tenancy agreements where applicable, and held discussions with valuers to understand the factors they have considered in adjusting the inputs, including any market factors; - Discussed with valuers to understand the basis of adjustments made to the transacted price per square foot of comparable peers by considering factors related to the characteristics of each individual property, such as location, accessibility to the location, size, tenure and comparable transaction dates; and • Challenged the valuers on certain key inputs and estimates used in consideration of the current market conditions.

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

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

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

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

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (CONT'D)

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

(Forward)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KSL HOLDINGS BERHAD (CONT'D)

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

Other Matter

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

**MORISON LC PLT (AF 002469)
202206000028 (LLP0032572-LCA)
Chartered Accountants**

**OOI CHI YEE
03684/08/2026 (J)
Chartered Accountant**

Petaling Jaya
21 April 2026

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
Revenue	5	1,514,711,414	1,376,660,693	434,000	430,000
Cost of sales	6	<u>(716,499,175)</u>	<u>(620,040,065)</u>	<u>-</u>	<u>-</u>
Gross profit		798,212,239	756,620,628	434,000	430,000
Add: Other income	7	152,675,879	87,615,446	27,855,744	16,037,097
Less: Distribution expenses		(69,080,248)	(67,823,593)	(5,881)	(6,510)
Less: Administrative expenses		<u>(187,296,308)</u>	<u>(152,069,148)</u>	<u>(872,154)</u>	<u>(628,799)</u>
Profit from operations		694,511,562	624,343,333	27,411,709	15,831,788
Less: Finance costs	8	<u>(15,715,304)</u>	<u>(4,988,873)</u>	<u>(21,843,200)</u>	<u>(9,760,263)</u>
Profit before tax	10	678,796,258	619,354,460	5,568,509	6,071,525
Income tax expense	11	<u>(160,338,984)</u>	<u>(147,282,877)</u>	<u>(1,439,117)</u>	<u>(2,181,645)</u>
Profit for the financial year, representing total comprehensive income for the financial year		<u>518,457,274</u>	<u>472,071,583</u>	<u>4,129,392</u>	<u>3,889,880</u>
Total comprehensive income for the financial year attributable to:					
Owners of the parent		520,129,768	472,084,006	4,129,392	3,889,880
Non-controlling interest		<u>(1,672,494)</u>	<u>(12,423)</u>	<u>-</u>	<u>-</u>
Net profit for the financial year		<u>518,457,274</u>	<u>472,071,583</u>	<u>4,129,392</u>	<u>3,889,880</u>
Earnings per ordinary share(sen):					
Basic and diluted	12	<u>48.46</u>	<u>46.41</u>		

The accompanying notes form an integral part of the Financial Statements.

**STATEMENTS OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
Non-current Assets					
Property, plant and equipment	14	252,294,082	248,886,881	2	2
Intangible assets	15	57,400	82,000	-	-
Investment properties	16	1,218,621,784	1,093,139,784	-	-
Investment in subsidiaries	17	-	-	1,232,682,054	1,228,881,959
Other investment	18	2,626,960	2,307,822	-	-
Inventories	19	2,132,424,572	1,845,762,172	-	-
Deferred tax assets	30	76,000	48,234	-	-
Total Non-current Assets		<u>3,606,100,798</u>	<u>3,190,226,893</u>	<u>1,232,682,056</u>	<u>1,228,881,961</u>
Current Assets					
Inventories	19	1,611,416,226	991,420,028	-	-
Trade receivables	20	192,745,073	187,373,792	-	-
Other receivables	21	101,694,937	267,726,345	5,428	1,055
Contract assets	22	227,287,845	154,524,196	-	-
Current tax assets		424,217	620,189	-	123,894
Amount due by subsidiaries	23	-	-	1,033,674,023	838,419,956
Cash and bank balances	24	321,281,611	211,202,175	915,372	337,815
Total Current Assets		<u>2,454,849,909</u>	<u>1,812,866,725</u>	<u>1,034,594,823</u>	<u>838,882,720</u>
Total Assets		<u>6,060,950,707</u>	<u>5,003,093,618</u>	<u>2,267,276,879</u>	<u>2,067,764,681</u>

(Forward)

**STATEMENTS OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Note	Group		Company	
		2025 RM	2024 RM	2025 RM	2024 RM
EQUITY AND LIABILITIES					
Share capital	25	775,115,498	699,234,524	775,115,498	699,234,524
Treasury shares	25	(24,776,017)	(24,776,017)	(24,776,017)	(24,776,017)
Reserves	26	<u>3,948,860,130</u>	<u>3,510,107,642</u>	<u>672,418,420</u>	<u>749,666,308</u>
Equity attributable to owner of the Company		4,699,199,611	4,184,566,149	1,422,757,901	1,424,124,815
Non-controlling interests		<u>(1,609,917)</u>	<u>17,577</u>	<u>-</u>	<u>-</u>
Total Equity		<u>4,697,589,694</u>	<u>4,184,583,726</u>	<u>1,422,757,901</u>	<u>1,424,124,815</u>
Non-current Liabilities					
Other payables	28	39,501,674	36,220,543	-	-
Loans and borrowings	29	-	8,501,000	-	-
Deferred tax liabilities	30	<u>83,546,413</u>	<u>67,444,376</u>	<u>-</u>	<u>-</u>
Total Non-current Liabilities		<u>123,048,087</u>	<u>112,165,919</u>	<u>-</u>	<u>-</u>

(Forward)

**STATEMENTS OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

		Group		Company	
	Note	2025 RM	2024 RM	2025 RM	2024 RM
Current Liabilities					
Trade payables	27	114,235,056	96,479,614	-	-
Other payables	28	229,899,608	170,746,401	206,248	219,896
Contract liabilities	22	33,710,352	8,001,977	-	-
Loans and borrowings	29	831,723,333	409,186,232	-	-
Current tax liabilities		30,744,577	21,929,749	30,079	-
Amount due to subsidiaries	23	-	-	844,282,651	643,419,970
Total Current Liabilities		<u>1,240,312,926</u>	<u>706,343,973</u>	<u>844,518,978</u>	<u>643,639,866</u>
Total Liabilities		<u>1,363,361,013</u>	<u>818,509,892</u>	<u>844,518,978</u>	<u>643,639,866</u>
Total Equity and Liabilities		<u>6,060,950,707</u>	<u>5,003,093,618</u>	<u>2,267,276,879</u>	<u>2,067,764,681</u>

The accompanying notes form an integral part of the Financial Statements

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	<-----Non-distributable----->			Distributable Retained earnings RM	Total RM	Non- controlling interests RM	Total equity RM
	Share capital RM	Treasury shares RM	Revaluation reserves RM				
Group 2024							
As at 1 January 2024	699,234,524	(24,776,017)	16,690,191	3,021,387,204	3,712,535,902	246,241	3,712,782,143
Realisation of revaluation surplus	-	-	(12,404)	12,404	-	-	-
Profit/Total comprehensive income for the year	-	-	-	472,084,006	472,084,006	(12,423)	472,071,583
<i>Transaction with owners:</i>							
Acquisition of non- controlling interest	-	-	-	(53,759)	(53,759)	(246,241)	(300,000)
Non-controlling interest arising from acquisition of a subsidiary	-	-	-	-	-	30,000	30,000
As at 31 December 2024	<u>699,234,524</u>	<u>(24,776,017)</u>	<u>16,677,787</u>	<u>3,493,429,855</u>	<u>4,184,566,149</u>	<u>17,577</u>	<u>4,184,583,726</u>

(Forward)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	<-----Non-distributable----->			Distributable Retained earnings RM	Total RM	Non- controlling interests RM	Total equity RM
	Share capital RM	Treasury shares RM	Revaluation reserves RM				
Group 2025							
As at 1 January 2025	699,234,524	(24,776,017)	16,677,787	3,493,429,855	4,184,566,149	17,577	4,184,583,726
Realisation of revaluation surplus	-	-	(28,245)	28,245	-	-	-
Profit/Total comprehensive income for the year	-	-	-	520,129,768	520,129,768	(1,672,494)	518,457,274
Transaction with owners:							
Non-controlling interest arising from increase in share capital of a subsidiary	-	-	-	-	-	45,000	45,000
Dividend (Note 13)	-	-	-	(81,377,280)	(81,377,280)	-	(81,377,280)
Issuance of shares pursuant to DRP (Note 25)	75,880,974	-	-	-	75,880,974	-	75,880,974
As at 31 December 2025	<u>775,115,498</u>	<u>(24,776,017)</u>	<u>16,649,542</u>	<u>3,932,210,588</u>	<u>4,699,199,611</u>	<u>(1,609,917)</u>	<u>4,697,589,694</u>

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	<-----Non-distributable----->		Distributable	
	Share capital RM	Treasury shares RM	Retained earnings RM	Total equity RM
Company				
2024				
As at 1 January 2024	699,234,524	(24,776,017)	745,776,428	1,420,234,935
Profit/Total comprehensive income for the year	-	-	3,889,880	3,889,880
As at 31 December 2024	<u>699,234,524</u>	<u>(24,776,017)</u>	<u>749,666,308</u>	<u>1,424,124,815</u>
2025				
As at 1 January 2025	699,234,524	(24,776,017)	749,666,308	1,424,124,815
Transactions with owners:				
Dividend (Note 13)	-	-	(81,377,280)	(81,377,280)
Issuance of shares pursuant to DRP (Note 25)	75,880,974	-	-	75,880,974
Profit/Total comprehensive income for the year	-	-	4,129,392	4,129,392
As at 31 December 2025	<u>775,115,498</u>	<u>(24,776,017)</u>	<u>672,418,420</u>	<u>1,422,757,901</u>

The accompanying notes form an integral part of the Financial Statements.

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES				
Profit before taxation	678,796,258	619,354,460	5,568,509	6,071,525
Adjustments for:				
Amortisation of intangible assets	24,600	99,600	-	-
Depreciation of property, plant and equipment	12,324,597	10,918,798	-	-
Fair value adjustment of investment properties	(125,162,590)	(55,305,772)	-	-
Gain on fair value of equity instrument	(408,136)	(510,238)	-	-
Net loss on disposal of property, plant and equipment	41,746	278,508	-	-
Impairment loss of intangible assets	-	281,250	-	-
Impairment loss of property, plant and equipment	-	844,364	-	-
Interest expenses	13,715,711	3,390,466	21,838,758	9,757,672
Interest income	(9,220,540)	(15,399,742)	(27,855,744)	(16,037,097)
Property, plant and equipment written off	208,839	441,007	-	-
Loss on unrealised foreign exchange	104,701	125,171	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Operating profit/(loss) before working capital changes carried forward	570,425,186	564,517,872	(448,477)	(207,900)
(Forward)				

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Operating profit/(loss) before working capital changes brought forward	570,425,186	564,517,872	(448,477)	(207,900)
Changes in working capital:				
Inventories:				
- Land held for property development	(288,735,779)	(653,056,298)	-	-
- Property development cost	(578,998,867)	(353,577,150)	-	-
- Completed projects	(42,407,660)	87,122,155	-	-
- Other inventories	(19,428)	(426,307)	-	-
Contract assets and liabilities	(47,055,274)	(72,682,329)	-	-
Trade and other receivables	160,665,245	(191,414,574)	(4,373)	(1,055)
Trade and other payables	80,175,634	70,631,253	(13,648)	44,527
Amount due by/(to) subsidiaries	-	-	5,608,614	(4,195,909)
Cash flow (used in)/from operating activities	(145,950,943)	(548,885,378)	5,142,116	(4,360,337)
Net tax paid	(135,256,113)	(136,789,259)	(1,285,144)	(1,603,322)
Net cash (used in)/from operating activities	(281,207,056)	(685,674,637)	3,856,972	(5,963,659)
CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES				
Acquisition of new subsidiaries	-	-	(1,000,000)	-
Additional equity interest in subsidiaries	-	-	(2,499,995)	-
Addition of investment properties	(319,410)	(60,000)	-	-
Incorporation of subsidiaries	-	-	(300,100)	(100,001)
Purchase of property, plant and equipment	(12,609,079)	(24,181,772)	-	-
Net cash (used in)/from investing activities carried forward	(12,928,489)	(24,241,772)	(3,800,095)	(100,001)

(Forward)

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Net cash (used in)/from investing activities brought forward	(12,928,489)	(24,241,772)	(3,800,095)	(100,001)
Proceeds from disposal of property, plant and equipment	129,832	239,198	-	-
Shares issued to non-controlling interest				
- Increase of share capital	45,000	-	-	-
- Acquisition of non-controlling interest	-	(300,000)	-	-
Net cash inflow from acquiring a new subsidiary	11,228	12,330,000	-	-
Interest received	<u>9,220,540</u>	<u>15,399,742</u>	<u>27,855,744</u>	<u>16,037,097</u>
Net cash (used in)/from investing activities	<u>(3,521,889)</u>	<u>3,427,168</u>	<u>24,055,649</u>	<u>15,937,096</u>
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES				
Interest paid	(13,715,711)	(3,390,466)	(21,838,758)	(9,757,672)
Dividend paid	(5,496,306)	-	(5,496,306)	-
Drawdown of revolving credit	474,640,000	390,000,000	-	-
Repayment of revolving credit	(32,916,667)	-	-	-
Repayment of term loans	<u>(27,687,232)</u>	<u>(20,325,348)</u>	<u>-</u>	<u>-</u>
Net cash from/(used in) financing activities	<u>394,824,084</u>	<u>366,284,186</u>	<u>(27,335,064)</u>	<u>(9,757,672)</u>
Net increase/(decrease) in cash and cash equivalents	110,095,139	(315,963,283)	577,557	215,765
Effect of exchange rate on cash and cash equivalents	(15,703)	(17,849)	-	-
Cash and cash equivalents at beginning of the financial year	<u>211,202,175</u>	<u>527,183,307</u>	<u>337,815</u>	<u>122,050</u>
Cash and cash equivalents at the end of the financial year	<u>321,281,611</u>	<u>211,202,175</u>	<u>915,372</u>	<u>337,815</u>

The accompanying notes form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The principal activities of the Company are those of investment holding and provision of management services to its subsidiaries which are principally engaged in the property development and hotel operations. The principal activities of the subsidiaries are stated in Note 17 to the financial statements.

The address of the registered office and principal place of business of the Company is located at Wisma KSL, No. 148, Batu 1 ½, Jalan Buloh Kasap, 85000 Segamat, Johor Darul Ta'zim.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 April 2026.

2. BASIS OF PREPARATION

Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRSs") and the requirements of the Companies Act, 2016 in Malaysia.

Adoption of amendment to MFRS

During the financial year, the Group and the Company have adopted the following amendment to MFRS issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:

Amendments to MFRS 121	Lack of Exchangeability
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The adoption of the amendment to MFRS did not have any significant impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

New MFRSs and amendments to MFRS in issue but not yet effective

The Group and the Company have not applied the following new MFRSs and amendments to MFRSs that have been issued by the MASB but are not yet effective for the Group and for the Company:

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments ¹
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity ¹
Amendments to MFRSs	Annual Improvements to MFRS Accounting Standards- Volume 11 ¹
MFRS 18	Presentation and Disclosure in Financial Statements ²
MFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to MFRS 19	Subsidiaries without Public Accountability: Disclosures ²
Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³

¹ Effective for annual periods beginning on or after 1 January 2026.

² Effective for annual periods beginning on or after 1 January 2027.

³ Deferred to a date to be determined and announced by MASB.

The directors anticipate that the abovementioned new standards and amendments to MFRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective, if applicable, and that the adoption of the new standards and amendments to MFRSs will have no material impact on the financial statements of the Group and of the Company in the period of initial application except as further discussed below:

MFRS 18 *Presentation and Disclosure in Financial Statements*

MFRS 18 *Presentation and Disclosure in Financial Statements* sets out overall requirements for the presentation and disclosure in the financial statements, and will replace MFRS 101 *Presentation of Financial Statements* upon its adoption. The International Accounting Standard Board ("IASB") did not reconsider all aspects of MFRS 101 when developing MFRS 18, but instead focused on the statement of profit or loss. The IASB retained some paragraphs from MFRS 101 in MFRS 18 and moved some paragraphs from MFRS 101 to MFRS 108 *Basis of Preparation of Financial Statements* and MFRS 7 *Financial Instruments: Disclosures*.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

MFRS 18 aims to improve financial reporting by:

- requiring an entity to classify income and expenses included in the statement of profit or loss into five categories, namely operating, investing, financing, income taxes and discontinued operations;
- requiring an entity to present two new defined subtotals in the statement of profit or loss, including “operating profit or loss” and “profit or loss before financing and income taxes”;
- requiring an entity to disclose management-defined performance measure; and
- adding new principles for aggregation and disaggregation of items.

An entity is required to apply MFRS 18 for annual periods beginning on or after 1 January 2027, with earlier application permitted. MFRS 18 requires retrospective application with specific transition provisions.

The adoption of these new MFRSs may have an impact on the financial statements of the Company in the period of initial application. However, it is not practicable to provide a reasonable estimate of the effects from the adoption of these new MFRSs until the Company undertakes a detailed review.

3. MATERIAL ACCOUNTING POLICY INFORMATION**Basis of accounting**

The financial statements of the Group and of the Company have been prepared on the historical cost unless otherwise indicated in the material accounting policy information below.

Functional and presentation currency

The financial statements of the Group and of the Company are measured using the currency of the primary economic environment in which they operate (“the functional currency”). The financial statements are presented in Ringgit Malaysia (“RM”), which is also the Company’s functional currency.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Basis of consolidation

The Group applies the acquisition method to account for business combination from the acquisition date when acquired set of activities meet the definition of a business and control is transferred to the Group.

Non-controlling interests

At the acquisition date, components of non-controlling interests of the Group are measured at the non-controlling interest's proportionate share of the acquiree's identifiable assets.

Investment in subsidiaries

In the Company's separate financial statements, investment in subsidiaries is measured at cost less accumulated impairment losses.

Revenue Recognition

(i) Revenue from contracts with customers

Revenue is recognised when the Group and the Company satisfied a performance obligation ("PO") by transferring a promised goods or services to the customer, which is when the customer obtains control of the goods or service. A PO may be satisfied at a point in time over time. The amount of revenue recognised is the amount allocated to the satisfied PO.

The Group recognises revenue from the following major sources:

Revenue from development properties

The Group develops and sells residential and commercial properties before and after completion of construction of the properties. The revenue from property development is measured at the fixed transaction price agreed under the sales and purchase agreement. Revenue is recognised when control over the property has been transferred to customer, either over time or at a point in time, depending on the contractual terms.

For development properties whereby the Group is restricted contractually from directing the properties for another use, has no alternative use and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the entity does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset, usually upon transfer of legal title.

Progress billings to the customers based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Revenue from completed development units

The Group recognises sales at a point in time for the sale of completed properties, when the control of the properties has been transferred to the purchasers, being when the properties have been completed and delivered to the customers and it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the assets sold.

Services

Revenue is recognised at a point in time as those services are provided. The total consideration in the service contracts is allocated to all services based on their relative stand-alone selling prices.

Hotel and food and beverage revenue

Hotel room revenue is recognised when service is rendered to the customer over their stay at the hotel. The transaction price is the net amount collected from the customer. Advance deposits on hotel rooms are recorded as customer deposits (i.e. contract liability) until services are provided to the customer.

Revenue from the sale of goods or services is recognised when the food and beverage, entertainment and attractions and retail goods is delivered, rendered or control transferred to the customer. Payment of the transaction price is due immediately when the customer purchases the food and beverage, retail goods or services. Advance ticket sales for entertainment and attractions are recorded as customer deposits (i.e. contract liability) until services are rendered to the customer.

Car park income

Car park is accounted for a receipt and receivable basis.

Management fees

Management fees are recognised at a point in time when services are rendered.

Membership fees

Membership fees are recognised at a point in time when services are rendered.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date the Group's or the Company's right to receive payment is established, which in the case of quoted securities are the ex-dividend date.

(iii) Rental income

Rental income from investment property is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentive granted are recognised as an integral part of the total rental income, over the term of the lease. Rental income from investment and subleased properties are recognised as other income.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

(iv) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting period.

Where investment properties are carried at their fair value, the amount of deferred tax recognised is measured using the tax rates that would apply on sale of those assets at their carrying value at the reporting date unless the property is depreciable and is held with the objective to consume substantially all of the economic benefits embodied in the property over time, rather than through sale. In all other cases, the amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Any unutilised portion of a tax incentive that is not a tax base of an asset is recognised as a deferred tax asset to the extent that it is probable that the future taxable profits will be available against the unutilised tax incentive can be utilised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Property, plant and equipment

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

Except for freehold land and construction in progress, property, plant and equipment are depreciated on straight-line basis over the estimated useful lives of the assets at the following annual rates:

	%
Buildings	2 - 3
Plant and machinery	10 - 20
Motor vehicles	20
Other assets	
Office equipment	10 - 25
Tele-communication equipment	10 - 20
Renovation	10
Sales office	10
Site office	10
Signboards	10
Furniture and fittings	5 - 10
Hotel equipment	20
Food and beverage equipment	20

Intangible assets

Brand use rights is carried at cost less any accumulated summarised and any accumulated impairment losses. Brand use rights is amortised on a straight-line basis over its estimated economic useful lives summarised as follows:

Brand use rights	20%
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Lease

(i) The Group as a Lessee

Short-term leases and leases of low-value assets

Lease payments associated with short term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short term leases are leases with a lease term of 12 months or less and do not contain a purchase option. Low value assets are those assets valued at less than RM20,000 each when purchased new.

(ii) The Group as a Lessor

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to the ownership of the underlying asset to the lessee.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Operating leases

Leases in which the Group retains substantially all the risks and rewards incidental to ownership of the underlying asset are classified as operating leases. Lease income from operating lease is accounted for on a straight-line basis or another systematic basis if another systematic basis is more representative of the pattern of benefit received.

Contingent rents are recognised in profit or loss in the period in which they are earned.

Investment properties

Investment properties carried at fair value

Investment properties are measured initially at cost and subsequently at fair value with any change therein recognised in profit or loss for the period in which they arise.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

When an item of property, plant and equipment is transferred to investment property following a change in its use, any difference arising at the date of transfer between the carrying amount of the item immediately prior to transfer and its fair value is recognised directly in equity as a revaluation of property, plant and equipment. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in profit or loss. Upon disposal of an investment property, any surplus previously recorded in equity is transferred to retained earnings, the transfer is not made through profit or loss.

When the use of a property changes such that it is reclassified as property, plant and equipment or inventories, its fair value at the date of reclassification becomes its deemed cost for subsequent accounting.

Contract assets and liabilities

Contract asset is the right to consideration for goods or services transferred to the customers. Contract asset is recognised when the entity has performed under the contract but has not yet billed the customer. Contract asset is stated at cost less accumulated impairment.

Contract liability is the obligation to transfer goods or services to customer for which the Group has received the consideration or has billed the customer. Contract liability is recognised when the entity has not yet performed under the contract but has received advanced payments from the customer. Contract liabilities also include down payments received from customers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)****Inventories**Land held for property development

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

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

Property development cost

Property development costs are properties being constructed for sale in the ordinary course of business and are stated at the lower of costs and net realisable value. The cost of land, related development costs common to whole projects and direct building costs less cumulative amounts recognised as expense in the profit or loss for property under development are carried in the statements of financial position as property development costs.

The property development cost is subsequently recognised as an expense in profit or loss as and when the control of the inventory is transferred to the customer. Property development cost of unsold unit is transferred to completed development unit once the development is completed.

Completed development units

Units of development properties completed and held for sale are stated at the lower of cost and net realisable value. Costs comprise costs of acquisition of land including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended use, related development costs to projects and direct building costs.

Food and beverage and other hotel supplies

Inventories are stated at the lower of cost and net realisable value. Cost includes cost of purchase plus incidental cost and other costs of bringing the inventories to their present location and condition. The cost of inventories is determined on a weighted average basis. Net realisable value is the estimate of the selling price in the ordinary course of business, less costs to completion and selling expenses.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Financial instruments

Financial assets and financial liabilities are recognised in the Group's and the Company's statements of financial position when the Group and the Company become a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss ("FVTPL").

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Despite the foregoing, the Group and the Company may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group and the Company may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group and the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (see (ii) below).

(i) Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

For purchased or originated credit-impaired financial assets, the Group recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

(ii) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Financial assets that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called “accounting mismatch”) that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has designated investment in quoted unit trust and other investment as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss from other financial assets are recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the “other operating income” or “administrative expenses” line item.

Financial liabilities

Financial liabilities are recognised when, and only when, the Group and the Company become a party to the contractual provisions of the financial instruments. All financial liabilities are recognised initially at fair value plus, in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment

Financial assets and contract assets

The Group and the Company recognise loss and allowances for expected credit losses (“ECL”) on financial asset measure at amortised cost, debt instruments measured at fair value through other comprehensive income, contract assets and lease receivables.

The Group and the Company apply a two-step approach to measure the ECL on financial assets other than trade receivable, contract assets and lease assets.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balances and other debt securities for credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

The Group and the Company assess at each financial year end whether there has been a significant increase in credit risk for financial assets by comparing the risk of default occurring over the expected life with the risk of default since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s and the Company’s historical experience and informed credit assessment and including forward-looking information.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group or the Company is exposed to credit risk.

ECLs are probability-weighted estimate of credit losses. Credit losses are measure as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group and the Company expect to receive). ECLs are discounted at the effective interest rate of the financial asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debts investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Write-off policy

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group and the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's and the Company's procedures for recovery amounts due.

Other assets

The carrying amounts of the other assets (except for inventories, deferred tax assets and investment property measured at fair value) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purposes of impairment testing, is allocated to group of cash-generating units that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or cash-generating unit is the greater of its value-in-use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash generating unit exceeds its estimated recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (group of cash generating unit) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group and the Company use observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

Level 1: quoted price (unadjusted) in active markets for identical assets or liabilities that the Group and the Company can access at the measurement date.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or a liability, either directly or indirectly.

Level 3: unobservable inputs for the asset or liability.

The Group recognises transfer between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, there is legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Statements of cash flows

The Group and the Company adopt the indirect method in the preparation of the statements of cash flows.

For the purpose of the statements of cash flows, cash and cash equivalents comprise of cash in hand, bank balances and money market placements with banks, are used by the Group and the Company in the management of its short term commitments.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Directors have used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the report amounts.

(a) Critical judgements in applying the Group's and the Company's accounting policies

In the process of applying the Group's and the Company's accounting policies, the directors are of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements.

Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on MFRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes.

If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately.

If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

Judgement is made on an individual property basis to determine whether ancillary services are significant that a property does not qualify as investment property.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Satisfaction of performance obligation in relation to contracts with customers

The Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. This assessment was made based on the terms and conditions of the contracts, and the provisions of relevant laws and regulations.

The Group recognises revenue over time in the following circumstances:

- (a) the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- (b) the Group does not create an asset with an alternative use to the Group and has an enforceable right to payment for performance completed to date; and
- (c) the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the Group assesses each contract with customers to determine when the performance obligations of the Group under the contract are satisfied.

(b) **Key sources of estimation uncertainty**

Directors believe that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period, except for:

Fair value of investment properties

The fair value of investment properties is arrived at by reference to market evidence of transactions prices for similar projects or by considering the aggregate of the present value of the estimated cash flows expected to be received from renting out the property and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The key assumptions used to determine the fair value of the investment properties are provided in Note 16 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Useful lives of property, plant and equipment

The cost of property, plant and equipment are depreciated on straight-line basis over the assets' estimated economic useful lives. Management estimated the useful lives of these property, plant and equipment 1 to 50 years. These are common life expectancies applied in the manufacturing and investment industries. Change in the expected level of usage and technological developments, could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

The details of property, plant and equipment are disclosed in Note 14 to the financial statements.

Revenue from property development contracts

The Group recognises revenue from property development activities in the profit or loss by using input method, which is measured the Group's effort or input to the actual property development costs incurred to date related to the estimated total property development costs.

Significant judgement are used to determine the progress of completion to the performance obligation and estimate these total property development costs to complete the contracts. In making these estimates, management relies on past experience, the work of specialists and a continuous monitoring mechanism.

The carrying amount of assets and liabilities of the Group arising from property development activities are disclosed in Notes 19 and 22.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

5. REVENUE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Revenue from contract with customers	1,377,363,407	1,251,541,632	434,000	430,000
Other revenue:				
Rental income	137,348,007	125,119,061	-	-
	<u>1,514,711,414</u>	<u>1,376,660,693</u>	<u>434,000</u>	<u>430,000</u>

Disaggregation of the revenue from contract with customers:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Major goods and services				
Sale of development properties	1,087,327,137	561,503,677	-	-
Sale of completed development units	129,752,291	558,041,264	-	-
Hotel and food and beverage	130,505,597	122,602,195	-	-
Car park income	6,833,612	6,554,097	-	-
Other trade sales	2,838,084	2,840,399	-	-
Sales of land	20,106,686	-	-	-
Management fees from subsidiaries	-	-	434,000	430,000
	<u>1,377,363,407</u>	<u>1,251,541,632</u>	<u>434,000</u>	<u>430,000</u>
Timing of revenue recognised				
At a point in time	290,036,270	690,037,955	434,000	430,000
Over time	<u>1,087,327,137</u>	<u>561,503,677</u>	<u>-</u>	<u>-</u>
	<u>1,377,363,407</u>	<u>1,251,541,632</u>	<u>434,000</u>	<u>430,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

6. COST OF SALES

	Group	
	2025 RM	2024 RM
Property development costs (Note 19 (b))	584,910,651	317,974,720
Cost of inventories sold	59,756,228	249,232,513
Post construction cost	8,126,834	275,873
Cost of running hotel and food and beverage	26,578,330	22,967,198
Cost of running investment properties	25,952,295	27,199,531
Cost of land (Note 19 (a))	8,641,785	-
Other trade cost	2,533,052	2,390,230
	<u>716,499,175</u>	<u>620,040,065</u>

7. OTHER INCOME

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest income of financial assets at amortised cost	9,220,540	15,399,742	27,855,744	16,037,097
Rental income	11,652,653	9,381,839	-	-
Fair value adjustment of investment property	125,162,590	55,305,772	-	-
Forfeiture income	446,574	1,634,837	-	-
Gain on fair value of equity investment	408,136	510,238	-	-
Gain on disposal of property, plant and equipment	53,254	-	-	-
Miscellaneous	5,732,132	5,383,018	-	-
	<u>152,675,879</u>	<u>87,615,446</u>	<u>27,855,744</u>	<u>16,037,097</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

8. FINANCE COSTS

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Interest expense on:				
Bank overdraft interest	270	29	-	-
Term loans interest	618,667	1,886,919	-	-
Revolving credit interest	13,096,774	1,503,518	-	-
Inter-company loan interest	-	-	21,838,758	9,757,672
	13,715,711	3,390,466	21,838,758	9,757,672
Bank charges	1,999,593	1,598,407	4,442	2,591
	15,715,304	4,988,873	21,843,200	9,760,263

9. EMPLOYEE BENEFITS EXPENSES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Salaries, bonus and allowance	85,279,794	78,106,823	330,000	330,000
Defined contribution plans	10,780,248	9,711,382	31,350	34,200
Social security contributions	528,093	441,501	2,228	2,228
Other benefits	2,086,684	1,944,864	-	-
	98,674,819	90,204,570	363,578	366,428

Included in employee benefits expenses are directors' remuneration of the Group and of the Company which disclosed in Note 31.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

10. PROFIT BEFORE TAX

Profit before tax are stated after charging:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Auditors' remuneration:				
Statutory				
Current year	362,000	327,000	25,000	25,000
Non-statutory				
Current year	11,700	11,700	5,000	5,000
Under provision in prior years	-	6,700	-	-
Amortisation of intangible assets	24,600	99,600	-	-
Depreciation of property, plant and equipment	12,324,597	10,918,798	-	-
Intangible assets written off	-	281,250	-	-
Expenses relating to short term leases:				
Rental of equipment	507,195	244,038	-	-
Rental of premises	226,484	104,300	-	-
Loss on disposal of property, plant and equipment	95,000	278,508	-	-
Unrealised loss on foreign exchange	104,701	125,171	-	-
Property, plant and equipment written off	208,839	441,007	-	-
Impairment of property, plant and equipment	-	844,364	-	-
Employee benefits (Note 9)	98,674,819	90,204,570	363,578	366,428

11. INCOME TAX EXPENSE

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Recognised in profit or loss:				
Current tax expense:				
Malaysian				
current year	145,392,385	136,244,595	1,438,000	1,486,000
prior years	(1,127,672)	3,380,027	1,117	695,645
	144,264,713	139,624,622	1,439,117	2,181,645

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deferred tax expense: Relating to origination and reversal of temporary differences (Note 30)	16,279,108	8,270,296	-	-
Overprovision in prior years	<u>(204,837)</u>	<u>(612,041)</u>	<u>-</u>	<u>-</u>
	<u>16,074,271</u>	<u>7,658,255</u>	<u>-</u>	<u>-</u>
Total income tax expense	<u>160,338,984</u>	<u>147,282,877</u>	<u>1,439,117</u>	<u>2,181,645</u>

A reconciliation of income tax expenses applicable to profit before taxation at the statutory income tax rate to income tax expenses at the effective income tax of the Group and of the Company are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Profit before tax	<u>678,796,258</u>	<u>619,354,460</u>	<u>5,568,509</u>	<u>6,071,525</u>
At Malaysian statutory tax rate of 24% (2024: 24%)	162,911,102	148,645,070	1,336,442	1,457,166
Income not subject to tax	(47,365)	(21,231)	-	-
Non-deductible expenses	15,900,700	3,248,890	101,558	28,834
Effect of lower tax rate on deferred tax component	(17,522,763)	(7,742,808)	-	-
Deferred tax assets not recognised during the year	429,819	384,970	-	-
Overprovision of deferred taxation in prior year	(204,837)	(612,041)	-	-
(Over)/Under provision of tax expenses in prior years	<u>(1,127,672)</u>	<u>3,380,027</u>	<u>1,117</u>	<u>695,645</u>
Tax expense for the year	<u>160,338,984</u>	<u>147,282,877</u>	<u>1,439,117</u>	<u>2,181,645</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

At the end of the reporting period, the Group and the Company have unabsorbed capital allowances and unused tax losses that are available for offsetting against future taxable profits, subject to the agreement with the tax authorities.

The details of unabsorbed capital allowances and unutilised tax losses are as follow:

	Group	
	2025 RM	2024 RM
Unabsorbed capital allowances	496,684	831,738
Unutilised tax losses	6,085,376	3,543,958
	6,582,060	4,375,696

The unabsorbed capital allowances do not expire under current tax legislation.

The comparative information has been restated to reflect the revised unabsorbed capital allowances and unutilised tax losses to conform with the actual income tax computation submitted to the tax authorities.

Expiry date of the unutilised tax losses is summarised below:

	Group	
	2025 RM	2024 RM
Unused tax losses to be carried forward until year of assessment:		
2028	2,384,943	2,384,943
2029	254,365	254,365
2030	108,462	108,462
2031	17,701	17,701
2032	9,766	9,766
2033	501,662	501,662
2034	267,059	267,059
2035	2,541,418	-
	6,085,376	3,543,958

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

12. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share at the end of reporting period was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding excluding treasury shares held by the Company, calculated as follows:

	Group	
	2025	2024
Profit attributable to ordinary shareholders (RM)	520,129,768	472,084,006
Weighted average number of ordinary shares at 31 December (units)	1,073,424,128	1,017,215,999
Basic earnings per ordinary share (sen)	48.46	46.41

Diluted earnings per ordinary share

There are no dilutive potential ordinary shares.

13. DIVIDEND PAID AND PROPOSED

	2025 RM	2024 RM
In respect of the financial year ended 31 December 2024: Final dividend of RM0.08 per ordinary share paid on 12 August 2025	81,377,280	-

Final dividend of RM0.08 per ordinary share for the financial year ended 31 December 2024 in which the entire portion can be elected to be reinvested into new ordinary share in accordance with the Dividend Reinvestment Plan (“DRP”). The reinvestment rate subsequent to completion of the DRP was approximately 93.25% with the allotment of 56,208,129 new ordinary shares at RM1.35 per share amounted to RM75,880,974 and the total cash dividend of RM5,496,306 was paid on 12 August 2025. The new ordinary shares issued pursuant to the DRP were listed on the Main Market of Bursa Securities on 13 August 2025.

On 27 February 2026, the directors proposed a final dividend of RM0.10 per ordinary share, amounting to RM107,342,413 based on the outstanding issued and paid-up capital of 1,073,424,128 ordinary shares, in respect of the financial year ended 31 December 2025. The proposed dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company and has not been included as liability in the financial statements. Upon approval by the shareholders, the cash dividend payment will be accounted for in equity as an appropriation of retained earnings during the financial year ending 31 December 2026.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

14. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM	Buildings RM	Construction in progress RM	Plant and machinery RM	Motor vehicles RM	Other assets RM	Total RM
Group 2025 Cost							
As at 1 January 2025	19,871,960	246,502,364	-	16,528,080	11,244,025	83,619,495	377,765,924
Additions	-	1,614,423	3,489,991	1,402,031	673,045	5,429,589	12,609,079
Transfer from inventories	-	3,503,136	-	-	-	-	3,503,136
Disposals	-	-	-	-	(1,545,281)	(610,892)	(2,156,173)
Written off	-	-	-	(1,134,300)	(69,653)	(10,305)	(1,214,258)
As at 31 December 2025	19,871,960	251,619,923	3,489,991	16,795,811	10,302,136	88,427,887	390,507,708
Accumulated depreciation							
As at 1 January 2025	-	45,798,204	-	7,030,102	7,238,709	67,967,664	128,034,679
Charge for the financial year	-	6,155,957	-	1,051,003	1,732,300	3,385,337	12,324,597
Disposals	-	-	-	-	(1,395,280)	(589,315)	(1,984,595)
Written off	-	-	-	(926,364)	(69,652)	(9,403)	(1,005,419)
As at 31 December 2025	-	51,954,161	-	7,154,741	7,506,077	70,754,283	137,369,262
Accumulated impairment loss							
As at 1 January/ 31 December 2025	-	-	-	-	-	844,364	844,364
Carrying amount							
As at 31 December 2025	19,871,960	199,665,762	3,489,991	9,641,070	2,796,059	16,829,240	252,294,082

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Group 2024	Freehold land RM	Buildings RM	Plant and machinery RM	Motor vehicles RM	Other assets RM	Total RM
Cost						
As at 1 January 2024	19,871,960	229,710,147	16,139,720	10,701,063	79,236,598	355,659,488
Additions	-	16,792,217	829,360	1,764,642	4,795,553	24,181,772
Disposals	-	-	-	(1,221,680)	(394,993)	(1,616,673)
Written off	-	-	(441,000)	-	(17,663)	(458,663)
As at 31 December 2024	19,871,960	246,502,364	16,528,080	11,244,025	83,619,495	377,765,924
Accumulated depreciation						
As at 1 January 2024	-	39,919,907	6,297,906	6,880,282	65,134,409	118,232,504
Charge for the financial year	-	5,878,297	732,196	1,422,107	2,886,198	10,918,798
Disposals	-	-	-	(1,063,680)	(35,287)	(1,098,967)
Written off	-	-	-	-	(17,656)	(17,656)
As at 31 December 2024	-	45,798,204	7,030,102	7,238,709	67,967,664	128,034,679
Accumulated impairment loss						
As at 1 January 2024	-	-	-	-	-	-
Impairment loss recognised	-	-	-	-	844,364	844,364
As at 31 December 2024	-	-	-	-	844,364	844,364
Carrying amount						
As at 31 December 2024	19,871,960	200,704,160	9,497,978	4,005,316	14,807,467	248,886,881

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Other assets	
	2025	2024
	RM	RM
Company		
Cost		
As at 1 January/31 December	<u>27,853</u>	<u>27,853</u>
Less: Accumulated depreciation		
As at 1 January/31 December	<u>(27,851)</u>	<u>(27,851)</u>
Carrying amount		
As at 1 January/31 December	<u>2</u>	<u>2</u>

Property, plant and equipment of the Group at cost of RM68,432,877 (2024: RM65,877,696) are fully depreciated and still in use.

15. INTANGIBLE ASSETS

	Brand use rights	
	2025	2024
	RM	RM
Group		
Cost		
As at 1 January/31 December	<u>498,000</u>	<u>498,000</u>
Accumulated amortisation		
As at 1 January	134,750	35,150
Charge for the financial year	<u>24,600</u>	<u>99,600</u>
As at 31 December	<u>159,350</u>	<u>134,750</u>
Accumulated impairment loss		
As at 1 January	281,250	-
Impairment loss recognised	<u>-</u>	<u>281,250</u>
As at 31 December	<u>281,250</u>	<u>281,250</u>
Carrying amount		
As at 31 December	<u>57,400</u>	<u>82,000</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

16. INVESTMENT PROPERTIES

	2025 RM	2024 RM
As at 1 January	1,093,139,784	1,037,774,012
Additions	319,410	60,000
Fair value adjustment (Note 7)	125,162,590	55,305,772
 As at 31 December	 1,218,621,784	 1,093,139,784
 Included in the above are:		
 At fair value:		
Land	695,758,782	577,238,427
Buildings	522,863,002	515,901,357
	1,218,621,784	1,093,139,784

Included in the investment property is land and building with carrying amount of RM37,390,000 (2024: RM37,040,000) held under the name of third party, with power of attorney granted to the Group.

Investment properties with an aggregate carrying amount of RM600,010,000 (2024: RM502,740,000) are pledged as securities for loans and borrowings as referred to in Note 29.

Investment properties comprise a number of freehold shop houses and commercial properties leased to third parties. Each of the leases contains an initial non-cancellable period of average 2 years and subsequent renewals are negotiated with the lessee and average renewal period is 2 years.

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

	Group	
	2025 RM	2024 RM
Rental income (Note 5)	137,348,007	125,119,061
Direct operating expenses		
Income generating investment properties	(27,014,003)	(27,731,177)
Non-income generating investment properties	(19,500)	(109,800)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

The fair values of the investment properties were based on indicative valuation by external, independent valuers having appropriate recognised professional qualification as follows:

- (a) RM561,531,000 (2024: RM555,999,000) arrived at by reference to transaction prices for comparable properties. Sales price of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input in this valuation technique is the price per square foot of comparable properties, which ranged from RM23 to RM420 per square foot (2024: RM22 to RM393 per square foot). The estimated fair value would decrease if the lower of the price per square foot.
- (b) RM657,090,784 (2024: RM537,140,784) determined by considering the aggregate of the present value of the estimated cash flows expected to be received from renting out the property using annual yield rates range from 7.00% to 7.50% (2024: 6.00% to 7.00%) per annum and discount rate at 9.50% (2024: 8.50% to 9.00%). The estimated fair value would decrease if the higher of the yield rate or the higher of the discount rate.

Fair value of investment properties is categorised as Level 3 as described in Note 3 to the financial statements.

17. INVESTMENT IN SUBSIDIARIES

	Company	
	2025	2024
	RM	RM
At cost:		
As at 1 January	1,228,881,959	1,228,781,958
Additions	3,800,095	100,001
As at 31 December	1,232,682,054	1,228,881,959

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2025	2024
Bestari Building Resources Sdn. Bhd. ("BBR")	Malaysia	Trading of construction material	100%	-
Bintang-Bintang Development Sdn. Bhd. ("BBD")	Malaysia	Property investment and development	100%	100%
Bintang-Bintang Enterprise Sdn. Bhd. ("BBE")	Malaysia	Property development	100%	100%
Buildlink Resources Sdn. Bhd. ("BR")	Malaysia	Trading of construction material	100%	-
Canary Education Sdn. Bhd. ("CE")	Malaysia	Education	100%	-
Clarion Housing Development Sdn. Bhd. ("CHD")	Malaysia	Property investment	100%	100%
Eversonic Sdn. Bhd. ("Eversonic")	Malaysia	Property investment and development	100%	100%
Exportex Sdn. Bhd. ("Exportex")	Malaysia	Property development	100%	100%
Gebeng Bestari Sdn. Bhd. ("GB")	Malaysia	Property investment and development	100%	100%
Goodpark Development Sdn. Bhd. ("GD")	Malaysia	Property development	100%	100%
Harapan Terang Sdn. Bhd. ("HT")	Malaysia	Property development	100%	100%
Harapan Terang Properties Sdn. Bhd. ("HTP")	Malaysia	Property development	100%	100%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2025	2024
Harapan Terang Realty Sdn. Bhd. ("HTR")	Malaysia	Property development	100%	100%
Khoo Soon Lee Realty Sdn. Bhd. ("KSLR")	Malaysia	Property investment and development	100%	100%
KSL City Management Sdn. Bhd. ("KSLCM")	Malaysia	Property management	100%	100%
KSL City Development Sdn. Bhd. ("KSLCD")	Malaysia	Property investment and development	100%	100%
KSL Lestari Sdn. Bhd. ("KSLL")	Malaysia	Property investment and development	100%	100%
KSL Medini Development Sdn. Bhd. ("KSLMD")	Malaysia	Property development	100%	100%
KSL Perfect Builder Sdn. Bhd. ("KSLPB")	Malaysia	Property investment	100%	100%
KSL Properties Construction Sdn. Bhd. ("KSLPC")	Malaysia	Project management and construction service	100%	100%
KSL Properties Sdn. Bhd. ("KSLP")	Malaysia	Property investment, development and hotel operations	100%	100%
KSL Properties Management Sdn. Bhd. ("KSLPM")	Malaysia	Car park operations and property management services	100%	100%
Lestari Building Resources Sdn. Bhd. ("LBR")	Malaysia	Trading of construction material	100%	-
Omega Prestasi Sdn. Bhd. ("OP")	Malaysia	Wellness, health care related products and services	100%	100%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2025	2024
Pingat Pelita Sdn. Bhd. ("PP")	Malaysia	Dormant	100%	100%
Prosper Plus Industry Sdn. Bhd. ("PPI")	Malaysia	Property development	100%	100%
Sejota Sdn. Bhd. ("Sejota")	Malaysia	Property development	100%	100%
Sering Cemerlang Sdn. Bhd. ("SC")	Malaysia	Property investment and development	100%	100%
Sure Success Properties Sdn. Bhd. ("SSP")	Malaysia	Property investment and hotel operations	100%	100%
Tai Lik Development (Batu Anam) Sdn. Bhd. ("Tai Lik")	Malaysia	Property development	100%	100%
Villa Bestari Sdn. Bhd. ("VB")	Malaysia	Property investment	100%	100%
VIP Beyond Sdn. Bhd. ("VIPB")	Malaysia	Property development	100%	100%
Wawari Development Sdn. Bhd. ("WD")	Malaysia	Property development	100%	-
Held through HT KSL Development Sdn. Bhd. ("KSLD")	Malaysia	Property investment and development	100%	100%
Held through KSLPB Gantang Jaya Sdn. Bhd. ("GJ")	Malaysia	Property development	100%	100%
Held through SC Bestari Kaya Sdn. Bhd. ("BK")	Malaysia	Property investment and development	100%	100%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest	
			2025	2024
Held through VIPB KSL Bestari Sdn. Bhd. ("KSLB")	Malaysia	Property investment and development	100%	100%
Held through KSL Wawari Sdn. Bhd. ("WW")	Malaysia	Property investment and development	70%	70%

(a) During the financial year:

(i) Acquisition of a subsidiary

The Company acquired 1,000,000 ordinary shares representing 100% interest in CE at a cash consideration of RM1,000,000.

The fair value of the identifiable assets and liabilities of CE as the date of acquisition was:

	2025
	RM
Total consideration transferred	1,000,000
Assets acquired and liabilities assumed at the date of acquisition:	
Cash and bank balances	(21,228)
Fixed deposit	(990,000)
Other receivables	(5,118)
Other payables	16,346
	<hr/>
Fair value identifiable net assets	(1,000,000)
	<hr/>
Effect of acquisition on consolidation	-
	<hr/>
<u>Total cost of business combination</u>	
The total cost of business combination is as follows:	
Cash consideration	1,000,000
	<hr/>
The effect of the acquisition on cash flow is as follows:	
Total cost of the business combination	1,000,000
Less: cash and cash equivalents of the subsidiary required	(1,011,228)
	<hr/>
Net cash inflows on acquisition	(11,228)
	<hr/>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)****(ii) Incorporation of subsidiaries**

- (a) On 22 January 2025, the Company incorporated a wholly-owned subsidiary name WD, by subscribing 100 ordinary shares representing 100% of the issued and paid-up capital at a cash consideration of RM100.
- (b) On 14 August 2025, the Company incorporated a wholly-owned subsidiary name BR, by subscribing 100,000 ordinary shares representing 100% of the issued and paid-up capital at a cash consideration of RM100,000.
- (c) On 2 September 2025, the Company incorporated two wholly-owned subsidiaries name BBR and LBR, by subscribing 100,000 ordinary shares representing 100% of the issued and paid-up capital at a cash consideration of RM100,000 each.

None of the above incorporations are material to the Group.

(iii) Increase in equity of subsidiaries

- (a) On 23 May 2025, the issued and paid-up capital of SC was increased from RM2, comprising of 2 ordinary shares to RM1,000,000, comprising of 1,000,000 ordinary shares, by way of a new issuance of 999,998 ordinary shares of RM1 each for cash. The Company subscribed 999,998 ordinary shares, representing 100% of these new ordinary shares for total consideration of RM999,998.
- (b) On 23 May 2025, the issued and paid-up capital of WW was increased from RM100,000, comprising of 100,000 ordinary shares, to RM250,000, comprising of 250,000 ordinary shares, by way of new issuance of 150,000 ordinary shares of RM1 each for cash. The Group via its subsidiary, KSLI subscribed 105,000 ordinary shares representing 70% interest in WW at a cash consideration of RM105,000.
- (c) On 28 August 2025, the issued and paid-up capital of KSLPC was increased from RM2, comprising of 2 ordinary shares, to RM1,000,000, comprising of 1,000,000 ordinary shares, by way of new issuance of 999,998 ordinary shares of RM1 each for cash. The Company subscribed 999,998 ordinary shares, representing 100% of these new ordinary shares for total consideration of RM999,998.
- (d) On 18 December 2025, the issued and paid-up capital of GB was increased from RM1, comprising of 1 ordinary share, to RM500,000, comprising of 500,000 ordinary shares, by way of new issuance of 499,999 ordinary shares of RM1 each for cash. The Company subscribed 499,999 ordinary shares, representing 100% of these new ordinary shares for total consideration of RM499,999.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

(iii) Material partly owned subsidiary

Set out below are the Group's subsidiaries that has material non-controlling interests:

Name of company	Proportion of ownership interests and voting rights held by non-controlling interest		Loss allocated to non-controlling interests		Accumulated non-controlling interests	
	2025	2024	2025	2024	2025	2024
	%	%	RM	RM	RM	RM
WW	30	30	(1,672,494)	(12,423)	(1,609,917)	17,577

Summarised statement of financial position

	WW	
	2025 RM	2024 RM
Total assets	116,317,262	12,399,992
Total liabilities	(121,683,652)	(12,341,401)
Net assets	(5,366,390)	58,591

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Summarised statement of profit or loss and other comprehensive income

	2025 RM	WW	2024 RM
Other income	57,189		-
Net loss for the financial year	(5,574,981)		(41,409)
Other comprehensive loss for the financial year	(5,574,981)		(41,409)
Total comprehensive loss for the financial year	(5,574,981)		(41,409)

Summarised statement of cash flows

	2025 RM	WW	2024 RM
Net cash from/(used in) operating activities	114,505,194		(12,351,431)
Net cash used in investing activities	(113,224,229)		-
Net cash from financing activities	150,000		12,336,401
Net change in cash and cash equivalents	1,430,965		(15,030)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

(b) In the previous financial year:

(i) Acquisition of a subsidiary

(a) The Group via its subsidiary, KSSL acquired 70,000 ordinary shares representing 70% interest in WW at a cash consideration of RM70,000.

The fair value of the identifiable assets and liabilities of WW as the date of acquisition was:

	2024 RM
Total consideration transferred	70,000
Assets acquired and liabilities assumed at the date of acquisition:	
Cash and bank balances	(12,400,000)
Amount due to directors	12,300,000
Non-controlling interest	30,000
Fair value identifiable net assets	(70,000)
Effect of acquisition on consolidation	-
<u>Total cost of business combination</u>	
The total cost of business combination is as follows:	
Cash consideration	70,000
The effect of the acquisition on cash flow is as follows:	
Total cost of the business combination	70,000
Less: cash and cash equivalents of the subsidiary required	(12,400,000)
Net cash inflows on acquisition	(12,330,000)

(b) On 31 December 2024, the Company via its subsidiary, VIPB has acquired 300,000 ordinary shares in KSLB for a cash consideration of RM300,000. Upon completion of the acquisition, KSLB became wholly-owned subsidiary of the Group.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

(ii) Incorporation of subsidiaries

- (a) On 20 May 2024, the Company incorporated a wholly-owned subsidiary name KSSL, by subscribing 100,000 ordinary shares representing 100% of the issued and paid-up capital at a cash consideration of RM100,000.
- (b) On 26 June 2024, the Company incorporated a wholly-owned subsidiary name GB, by subscribing 1 ordinary share representing 100% of the issued and paid-up capital at a cash consideration of RM1.

None of the above incorporations are material to the Group.

18. OTHER INVESTMENT

	Group	
	2025	2024
	RM	RM
At fair value through profit or loss:		
As at 1 January	2,307,822	1,904,906
Unrealised fair value gain recognised to profit or loss (Note 7)	408,136	510,238
Less: Unrealised loss on foreign exchange	<u>(88,998)</u>	<u>(107,322)</u>
As at 31 December	<u>2,626,960</u>	<u>2,307,822</u>

19. INVENTORIES

		Group	
		2025	2024
	Note	RM	RM
Non-current			
Land held for property development	(a)	<u>2,132,424,572</u>	<u>1,845,762,172</u>
Current			
Property development cost	(b)	1,327,323,951	749,754,841
Completed development units, at cost		282,646,965	240,239,305
Food and beverages and other hotel supplies, at cost		<u>1,445,310</u>	<u>1,425,882</u>
		<u>1,611,416,226</u>	<u>991,420,028</u>
Total inventories		<u>3,743,840,798</u>	<u>2,837,182,200</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

(a) Land held for property development

	Group	
	2025	2024
	RM	RM
As at 1 January	1,845,762,172	1,192,705,874
Additions	629,063,210	862,411,749
Transfer to property development costs (Note 19(b))	(331,685,646)	(209,355,451)
Transfer to property, plant and equipment	(2,073,379)	-
Disposal of Land (Note 6)	(8,641,785)	-
	<u>2,132,424,572</u>	<u>1,845,762,172</u>
Included in the above are:		
Freehold land, at surrogate cost	1,737,620,993	1,377,151,364
Leasehold land, at cost	48,108,437	174,881,095
Development costs, at cost	346,695,142	293,729,713
	<u>2,132,424,572</u>	<u>1,845,762,172</u>

Included in the land held for property development is land with carrying amount of RM2,667,792 (2024: RM2,667,792) held under the name of a third party, with power of attorney granted to the Group.

Freehold land of the Group with carrying amount of RM24,313,871 (2024: RM150,133,223) is pledged as security for loans and borrowings as referred to in Note 29.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

(b) Property development cost

	Group	
	2025	2024
	RM	RM
As at 1 January		
Freehold land	339,613,838	145,418,095
Development expenditure	772,964,981	647,329,561
Cumulative costs recognised to profit or loss	<u>(362,823,978)</u>	<u>(396,569,965)</u>
	<u>749,754,841</u>	<u>396,177,691</u>
Cost incurred during the year:		
Land and development expenditure	933,130,420	624,306,777
Recognised during the year (Note 6)	<u>(584,910,651)</u>	<u>(317,974,720)</u>
	<u>348,219,769</u>	<u>306,332,057</u>
Transfer from land held for property development (Note 19(a))	331,685,646	209,355,451
Transfer of completed development unit to inventories	(100,906,548)	(162,110,358)
Transfer to property, plant and equipment	<u>(1,429,757)</u>	<u>-</u>
	<u>229,349,341</u>	<u>47,245,093</u>
As at 31 December	<u>1,327,323,951</u>	<u>749,754,841</u>
Freehold land, at cost	676,888,017	339,613,838
Development costs	1,237,942,097	772,964,981
Recognised in profit or loss	<u>(587,506,163)</u>	<u>(362,823,978)</u>
	<u>1,327,323,951</u>	<u>749,754,841</u>

Included in the development costs of the Group are following expenses capitalised during the financial year:

	Group	
	2025	2024
	RM	RM
Rental of machinery	<u>45,469,353</u>	<u>18,899,605</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

20. TRADE RECEIVABLES

	Group	
	2025 RM	2024 RM
Trade receivables:		
Third parties	192,745,073	187,373,792

The aged analysis of trade receivables as at the reporting period are as follows:

	Property development RM	Property investment RM	Other RM	Total RM
Group 2025				
Neither past due nor impaired	66,366,298	1,011,662	1,856,687	69,234,647
Past due but not impaired:				
1 to 30 days	39,286,788	73,570	88,968	39,449,326
31 to 60 days	62,191,465	111,114	16,206	62,318,785
61 to 90 days	10,354,941	128,895	24,246	10,508,082
91 to 120 days	3,408,173	152,937	24,250	3,585,360
More than 121 days	6,605,481	1,021,808	21,584	7,648,873
	121,846,848	1,488,324	175,254	123,510,426
	188,213,146	2,499,986	2,031,941	192,745,073
2024				
Neither past due nor impaired	91,949,484	359,328	193,495	92,502,307
Past due but not impaired:				
1 to 30 days	35,660,229	136,651	-	35,796,880
31 to 60 days	21,450,616	16,648	-	21,467,264
61 to 90 days	11,212,538	132,692	-	11,345,230
91 to 120 days	5,267,674	92,098	-	5,359,772
More than 121 days	19,978,429	923,910	-	20,902,339
	93,569,486	1,301,999	-	94,871,485
	185,518,970	1,661,327	193,495	187,373,792

Credit terms of trade receivables range from 1 to 3 months (2024: 1 to 3 months).

At end of the financial year, trade receivables of RM123,510,426 (2024: RM94,871,485) were past due but not impaired. These relate to a number of independent customers from whom there is no recent history of default.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

21. OTHER RECEIVABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Contract cost	17,819,690	19,418,649	-	-
Deposit for acquisition of land	34,321,597	220,413,683	-	-
Sundry receivables	33,147,969	18,385,397	4,370	-
Sundry deposits	15,464,837	8,084,087	-	-
Prepayments	940,844	1,424,529	1,058	1,055
	<u>101,694,937</u>	<u>267,726,345</u>	<u>5,428</u>	<u>1,055</u>

Contract cost represents incremental costs incurred as a result of obtaining contracts and are recoverable. It primarily comprises promotion expenses, sales commission and legal costs. Capitalised contract costs are amortised when the related revenues are recognised for the respective financial years.

	Group	
	2025 RM	2024 RM
Contract cost		
As at 1 January	19,418,649	4,527,658
Incurred during the year	75,475,311	46,282,074
Less: Amortised to profit or loss	<u>(77,074,270)</u>	<u>(31,391,083)</u>
As at 31 December	<u>17,819,690</u>	<u>19,418,649</u>

The Group applies the practical expedient in MFRS 15 and recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the Group otherwise would have recognised is one year or less.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

22. CONTRACT ASSETS AND CONTRACT LIABILITIES

	Group	
	2025 RM	2024 RM
Contract assets		
Property development	<u>227,287,845</u>	<u>154,524,196</u>
Contract liabilities		
Property development	<u>33,710,352</u>	<u>8,001,977</u>

The Group issues progress billings to purchasers when the billing milestones are attained. The contract assets primarily relate to the Group's rights to consideration for work completed on property development but not yet billed at the reporting date. The contract liabilities primarily relate to the advance consideration received from a customer for property development, which revenue is recognised when the performance obligation is satisfied over time.

Significant changes to contract assets and contract liabilities balances during the year are as follows:

	Group	
	2025 RM	2024 RM
Revenue recognised that was included in the contract liability at the beginning of the year	8,001,977	2,284,244
Transfer from contract assets recognised at the beginning of the year to trade receivables	<u>154,524,196</u>	<u>76,124,134</u>

The revenue in related to unsatisfied performance obligations at the end of the reporting period are expected to be recognised in the following periods:

	Group	
	2025 RM	2024 RM
Within 1 year	589,667,142	366,005,399
Between 1 and 4 year	<u>158,206,720</u>	<u>146,922,394</u>
	<u>747,873,862</u>	<u>512,927,793</u>

23. AMOUNT DUE BY/(TO) SUBSIDIARIES

The amount due by/(to) subsidiaries are non-trade in nature, unsecured, bear interest at rates from 3.00% to 3.28% (2024: 3.25% to 3.32%) per annum and are repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

24. CASH AND BANK BALANCES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Deposits placed with				
Money market	1,987,649	51,921,426	-	-
Bank balances and cash	<u>319,293,962</u>	<u>159,280,749</u>	<u>915,372</u>	<u>337,815</u>
	<u>321,281,611</u>	<u>211,202,175</u>	<u>915,372</u>	<u>337,815</u>

- (a) Included in bank balances of the Group is amount of RM33,028,887 (2024: RM10,361,598) held pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 and are restricted from use in other operations.
- (b) Money market represents investment in highly liquid money market instruments which are readily convertible to known amount of cash and are subject to an insignificant risk of change in value.
- (c) The reconciliation of liabilities arising from financing activities are as follows:

	Term loans RM	Revolving credit RM	Total RM
Group			
As at 1 January 2025	27,687,232	390,000,000	417,687,232
Drawdown	-	474,640,000	474,640,000
Interest charged	618,667	13,096,774	13,715,441
Repayment	<u>(28,305,899)</u>	<u>(46,013,441)</u>	<u>(74,319,340)</u>
As at 31 December 2025	<u>-</u>	<u>831,723,333</u>	<u>831,723,333</u>
As at 1 January 2024	48,012,580	-	48,012,580
Drawdown	-	390,000,000	390,000,000
Interest charged	1,886,919	1,503,518	3,390,437
Repayment	<u>(22,212,267)</u>	<u>(1,503,518)</u>	<u>(23,715,785)</u>
As at 31 December 2024	<u>27,687,232</u>	<u>390,000,000</u>	<u>417,687,232</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

25. SHARE CAPITAL

	Group and Company			
	2025		2024	
	Units	RM	Units	RM
Issued and fully paid:				
Ordinary shares:				
As at 1 January	1,037,508,399	699,234,524	1,037,508,399	699,234,524
Issuance of share capital pursuant to dividend reinvestment plan	56,208,129	75,880,974	-	-
As at 31 December	1,093,716,528	775,115,498	1,037,508,399	699,234,524

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

During the financial year, the Company increased its issued and paid-up ordinary share capital by way of issuance of 56,208,129 new ordinary shares amounting to RM75,880,974 arising from Dividend Reinvestment Plan relating to the electable portion of the final dividend of RM1.35 per ordinary share in respect of the financial year ended 31 December 2024 as disclosed in the Note 13 to the financial statements.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Company.

Treasury shares

The shareholders of the Company, by an ordinary resolution passed in the Annual General Meeting held on 27 May 2024, renewed their approval for the Company's plan to repurchase its own shares. The directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

The Company did not repurchase any of its issued ordinary shares from the open market during the financial year.

Treasury shares have no rights in voting, dividends and participation in any other distribution. Treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares in the Company for any purposes including substantial shareholding, take-overs, notices, the requisition of meeting, the quorum for a meeting and the result of a vote on a resolution at a meeting.

At 31 December 2025, the Company held 20,292,400 (2024: 20,292,400) of the Company's shares. The number of outstanding ordinary shares in issue after deducting treasury shares is therefore 1,073,424,128 (2024: 1,017,215,999) ordinary shares.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

26. RESERVES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Distributable				
Retained earnings	3,932,210,588	3,493,429,855	672,418,420	749,666,308
Non-distributable				
Revaluation reserve	<u>16,649,542</u>	<u>16,677,787</u>	<u>-</u>	<u>-</u>
	<u>3,948,860,130</u>	<u>3,510,107,642</u>	<u>672,418,420</u>	<u>749,666,308</u>

(a) Retained earnings

The Group is under a single-tier tax system whereby tax on the Group's chargeable income is a final tax and any dividend distributed will be exempted from tax in the hands of shareholders. Starting from the year of assessment 2025, a new 2% dividend tax will be imposed on individuals with the Malaysian-sourced dividend income exceeding RM100,000. This new tax will apply to the portion of dividend income that exceeds the threshold, while the single tier tax system for companies will remain intact.

(b) Revaluation reserve

	Group	
	2025 RM	2024 RM
As at 1 January	16,677,787	16,690,191
Realisation of revaluation surplus	<u>(28,245)</u>	<u>(12,404)</u>
As at 31 December	<u>16,649,542</u>	<u>16,677,787</u>

Prior to adoption of FRS 140 on 1 January 2006, the revaluation reserve is used to record increase in fair value of investment properties and land held for property development and decreases to the extent that such decrease relates to an increase on the same asset in this reserve.

27. TRADE PAYABLES

The normal trade credit terms granted to the Group are 30 to 90 days (2024: 30 to 90 days) depending on the terms of the contracts. These balances are unsecured and non-interest bearing.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

28. OTHER PAYABLES

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Non-current				
Deposit payables	39,501,674	36,220,543	-	-
Current				
Sundry payables	70,048,991	54,308,465	15,962	28,660
Deposits payable	9,050,785	7,928,021	-	-
Accruals	150,799,832	108,509,915	190,286	191,236
	<u>229,899,608</u>	<u>170,746,401</u>	<u>206,248</u>	<u>219,896</u>
	<u>269,401,282</u>	<u>206,966,944</u>	<u>206,248</u>	<u>219,896</u>

29. LOANS AND BORROWINGS

	Group	
	2025 RM	2024 RM
Non-current		
Secured		
Term loans	-	8,501,000
Current		
Secured		
Term loans	-	19,186,232
Revolving credit	831,723,333	390,000,000
	<u>831,723,333</u>	<u>409,186,232</u>
	<u>831,723,333</u>	<u>417,687,232</u>

The loans and borrowings are secured by means of:

- (a) Fixed charge over the investment properties of the Group as referred to in Note 16;
- (b) Fixed charge over the land held for property development of the Group as referred to in Note 19;
- (c) Corporate guarantee by the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

30. DEFERRED TAX ASSETS/(LIABILITIES)

	Group	
	2025 RM	2024 RM
As at 1 January	(67,396,142)	(59,737,887)
Recognised in profit or loss	<u>(16,074,271)</u>	<u>(7,658,255)</u>
As at 31 December	<u>(83,470,413)</u>	<u>(67,396,142)</u>
Represented by:		
Deferred tax assets	76,000	48,234
Deferred tax liabilities	<u>(83,546,413)</u>	<u>(67,444,376)</u>
	<u>(83,470,413)</u>	<u>(67,396,142)</u>

The components and movement of deferred tax assets and deferred tax liabilities as at the end of the financial year, prior to offsetting are as follows:

	Unutilised tax losses RM	Unutilised capital allowance RM	Others RM	Total RM
Group				
Deferred tax assets				
2025				
As at 1 January	7,359	20,279	20,596	48,234
Recognised in profit or loss	<u>13,641</u>	<u>22,721</u>	<u>(8,596)</u>	<u>27,766</u>
As at 31 December	<u>21,000</u>	<u>43,000</u>	<u>12,000</u>	<u>76,000</u>
2024				
As at 1 January	58,305	-	546,741	605,046
Recognised in profit or loss	<u>(50,946)</u>	<u>20,279</u>	<u>(526,145)</u>	<u>(556,812)</u>
As at 31 December	<u>7,359</u>	<u>20,279</u>	<u>20,596</u>	<u>48,234</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Fair value adjustment on investment properties RM	Unrealised revaluation surplus RM	Others RM	Total RM
Group				
Deferred tax liabilities				
2025				
As at 1 January	(59,669,695)	(5,115,046)	(2,659,635)	(67,444,376)
Recognised in profit or loss	(12,155,730)	9,836	(3,956,143)	(16,102,037)
As at 31 December	<u>(71,825,425)</u>	<u>(5,105,210)</u>	<u>(6,615,778)</u>	<u>(83,546,413)</u>
2024				
As at 1 January	(54,046,770)	(4,962,561)	(1,333,602)	(60,342,933)
Recognised in profit or loss	(5,622,925)	(152,485)	(1,326,033)	(7,101,443)
As at 31 December	<u>(59,669,695)</u>	<u>(5,115,046)</u>	<u>(2,659,635)</u>	<u>(67,444,376)</u>

Unrecognised deferred tax assets

The tax effects of deductible temporary difference, unabsorbed capital allowances and unutilised tax losses which would give rise to deferred tax assets not recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences, unabsorbed capital allowances and unutilised tax losses can be utilised. As at the end of reporting period, the estimated amount of temporary difference, unabsorbed capital allowances and unutilised tax losses for which no deferred tax assets has not been recognised in the financial statements due to uncertainty of its realisation are as follows:

	Group	
	2025 RM	2024 RM
Unabsorbed capital allowances	140,109	831,738
Unutilised tax losses	5,996,901	3,514,360
	<u>6,137,010</u>	<u>4,346,098</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

31. RELATED PARTIES

Identity of related parties

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

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel include all the directors of the Group.

The Group has related party relationship with its subsidiaries, significant investors, directors and key management personnel.

Significant related party transactions

The significant related party transactions of the Group and of the Company are shown below:

		2025	2024
		RM	RM
Group			
A. Companies in which certain directors have interest			
Rental income from:			
Harapan Terang Motor Sdn. Bhd.	(a)	20,400	20,400
Bestari Bestmart Sdn. Bhd.	(b)	5,636,045	5,412,001
Great Greenworld Sdn. Bhd.	(c)	359,779	-
Rental expense to:			
Bintang-Bintang Sdn. Bhd.	(d)	(200,000)	(200,000)
Purchase from:			
Segamat Quarry (1981) Sdn. Bhd.	(e)	(996,769)	(69,305)
Tiram Quarry Sdn. Bhd.	(f)	(3,798,045)	(860,858)
		434,000	430,000
Company			
A. Subsidiaries			
Management fees income		434,000	430,000
Loan interest income		27,850,871	16,032,253
Loan interest expense		(21,838,758)	(9,757,672)
		434,000	430,000

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Compensation of key management personnel

The remuneration of key management personnel during the financial year are as follows:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
<u>Directors of the Company:</u>				
Executive directors:				
Salary and other emoluments	28,966,000	28,723,692	225,000	225,000
Defined contribution plan	4,928,600	5,084,904	31,350	34,200
Social security contributions	5,014	5,880	2,228	2,228
	<u>33,899,614</u>	<u>33,814,476</u>	<u>258,578</u>	<u>261,428</u>
Non-executive directors:				
Fee	90,000	90,000	90,000	90,000
Salary and other emoluments	15,000	15,000	15,000	15,000
	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>	<u>105,000</u>
Group				
			2025 RM	2024 RM
<u>Directors of the subsidiaries:</u>				
Salary and other emoluments			9,549,000	8,953,600
Defined contribution plan			1,528,110	901,632
Social security contributions			5,767	4,432
			<u>11,082,877</u>	<u>9,859,664</u>

Note:

- (a) In which Ku Tien Sek has interest
- (b) In which Ku Hwa Seng has interest
- (c) In which Khoo Cheng Hai @ Ku Cheng Hai and Khoo Lee Feng have interest
- (d) In which Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng, Ku Tien Sek, Ku Ek Mei and directors of certain subsidiaries, Ku Wa Chong, Ku Keng Leong, Ku Keng Yaw have interest
- (e) In which Khoo Cheng Hai @ Ku Cheng Hai, Ku Hwa Seng and Ku Tien Sek have interest
- (f) In which Ku Tien Sek has interest and directors of certain subsidiaries, Ku Wa Chong has interest.

Significant related party balances related to the above transactions are disclosed in respective notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)****32. SEGMENT INFORMATION**

The Group has four reportable segments, as described below, which offer different products and services. For each of the business segments, the Group Managing Director reviews the internal management reports on monthly basis. The following summary describes the operations in each of the Group's reportable segments:

- (i) Property development - The development of residential and commercial properties;
- (ii) Property investment - Investment of real properties, mall and hotel operator;
- (iii) Investment holding - Provision of management services to the subsidiaries; and
- (iv) Car park operation - Car park management services

Other non-reportable segments comprise operations mainly related to food and beverage operator, gym operator, education and sales of construction materials. None of these segments met the quantitative thresholds for reporting segments in 2025 and 2024.

Performance is measured based on revenue and operating profit as the management believes that such information is the most relevant in evaluating the results of the operation.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are mutually agreed upon.

Segment assets

The total of segment asset is measured based on all assets of a segment, as included in the internal management reports that are reviewed by the Group Managing Director. Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is also included in the internal management reports provided to the Group Managing Director.

Segment capital expenditure

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Group 2025	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Others RM	Elimination RM	Total RM
Revenue							
External sales							
Sales of properties	1,217,079,428	-	-	-	-	-	1,217,079,428
Rental income	-	138,211,923	-	-	-	(863,916)	137,348,007
Hotel, food and beverage	-	130,505,597	-	-	-	-	130,505,597
Carpark income	-	-	6,833,612	-	-	-	6,833,612
Other trade sales	22,031,103	160,560	-	-	753,107	-	22,944,770
Inter-segment	-	-	-	434,000	-	(434,000)	-
	<u>1,239,110,531</u>	<u>268,878,080</u>	<u>6,833,612</u>	<u>434,000</u>	<u>753,107</u>	<u>(1,297,916)</u>	<u>1,514,711,414</u>
Other income							
Rental income	11,329,407	715,060	-	-	-	(391,814)	11,652,653
Others	20,866,268	2,796,987	75,184	4,873	116,038	(7,998,714)	15,860,636
Fair value adjustment	-	125,162,590	-	-	-	-	125,162,590
Inter-segment	14,927,292	6,659,999	245,376	27,850,871	4,043	(49,687,581)	-
	<u>47,122,967</u>	<u>135,334,636</u>	<u>320,560</u>	<u>27,855,744</u>	<u>120,081</u>	<u>(58,078,109)</u>	<u>152,675,879</u>
Results							
Segment results	454,718,479	261,605,889	5,587,633	27,411,709	(4,991,280)	(49,820,868)	694,511,562
Finance costs							(15,715,304)
Income tax							(160,338,984)
Net profit for the year							<u>518,457,274</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Group 2025	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Other RM	Elimination RM	Total RM
Other information							
Segment assets	5,445,930,130	1,541,832,417	12,286,834	2,267,276,878	131,350,480	(3,337,726,032)	6,060,950,707
Segment liabilities	1,983,715,737	285,674,363	602,665	844,518,977	135,102,838	(1,886,253,567)	1,363,361,013
Capital expenditure	4,451,122	4,637,970	-	-	3,519,987	-	12,609,079
Depreciation of property, plant and equipment	6,280,784	5,745,196	123,970	-	174,647	-	12,324,597

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Group 2024	Property Development RM	Property investment RM	Carpark operation RM	Investment holding RM	Others RM	Elimination RM	Total RM
Revenue							
External sales							
Sales of properties	1,119,544,941	-	-	-	-	-	1,119,544,941
Rental income	-	125,239,061	-	-	-	(120,000)	125,119,061
Hotel, food and beverage	-	122,602,195	-	-	-	-	122,602,195
Carpark income	-	-	6,554,097	-	-	-	6,554,097
Other trade sales	1,078,637	114,329	-	-	1,647,433	-	2,840,399
Inter-segment	-	-	-	430,000	-	(430,000)	-
	<u>1,120,623,578</u>	<u>247,955,585</u>	<u>6,554,097</u>	<u>430,000</u>	<u>1,647,433</u>	<u>(550,000)</u>	<u>1,376,660,693</u>
Other income							
Rental income	9,431,061	370,572	-	-	-	(419,794)	9,381,839
Others	20,312,109	2,500,022	57,354	4,844	53,506	-	22,927,835
Fair value adjustment	-	55,305,772	-	-	-	-	55,305,772
Inter-segment	6,084,145	3,532,804	139,404	16,032,253	1,319	(25,789,925)	-
	<u>35,827,315</u>	<u>61,709,170</u>	<u>196,758</u>	<u>16,037,097</u>	<u>54,825</u>	<u>(26,209,719)</u>	<u>87,615,446</u>
Results							
Segment results	443,765,712	188,246,191	5,302,470	15,831,787	(1,474,098)	(27,328,729)	624,343,333
Finance costs							(4,988,873)
Income tax							(147,282,877)
Net profit for the year							<u>472,071,583</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Group 2024	Property development RM	Property investment RM	Carpark operation RM	Investment holding RM	Other RM	Elimination RM	Total RM
Other information							
Segment assets	4,457,709,010	1,382,197,738	8,154,924	2,067,764,681	16,483,978	(2,929,216,713)	5,003,093,618
Segment liabilities	1,381,523,918	256,846,076	714,793	643,639,866	17,549,165	(1,481,763,926)	818,509,892
Capital expenditure	22,706,782	672,762	-	-	802,228	-	24,181,772
Depreciation of property, plant and equipment	5,212,529	5,317,441	115,970	-	272,858	-	10,918,798

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

33. FINANCIAL INSTRUMENTS

Classification of financial instruments

The following table analyses the financial assets and liabilities in the statement of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Financial assets				
<i>At amortised cost</i>				
Trade receivables	192,745,073	187,373,792	-	-
Other receivables	48,612,806	26,469,484	4,370	-
Amount due by subsidiaries	-	-	1,033,674,023	838,419,956
Cash and bank balances	321,281,611	211,202,175	915,372	337,815
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Fair value through profit or loss</i>				
Other investment	2,626,960	2,307,822	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Financial liabilities				
<i>At amortised cost</i>				
Trade payables	(114,235,056)	(96,479,614)	-	-
Other payables	(269,401,282)	(206,966,944)	(206,248)	(219,896)
Amount due to subsidiaries	-	-	(844,282,651)	(643,419,970)
Loans and borrowings	(831,723,333)	(417,687,232)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

Financial risk management objectives and policies

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and the Company's operations whilst managing its credit, liquidity and market risk. The Group and the Company operate within clearly defined guidelines that are approved by the Board, the Group's and the Company's policy is not to engage in speculative transactions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

The following sections provide details regarding the Group's and the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of those risks.

(i) Credit risk

Credit risk is the risk of financial loss to the Group and to the Company that may arise if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk is mainly from trade and other receivables and a financial guarantee given to a licensed bank, whereas the Company's exposure to credit risk is mainly from the amount of other receivables and amount due by subsidiaries.

The Group and the Company have adopted a policy of only dealing with creditworthy counterparties. Management has a credit policy in place to control credit risk by dealing with creditworthy counterparties and deposit with banks and financial institutions with good credit ratings. The exposure to credit risk is monitored on an ongoing basis and action will be taken for long outstanding debts.

Trade receivables and contract assets

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

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

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

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

The Group does not require collateral in respect of trade receivables and contract assets. The Group does not have trade receivable and contract asset for which no loss allowance is recognised because of collateral.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Concentration of credit risk

The exposure to credit risk for trade receivables (Note 20) and contract assets (Note 22) by operating segments was as follows:

	2025	2024
	RM	RM
Operating segments		
Property development	415,500,991	340,043,166
Property investment	2,499,986	1,661,327
Others	2,031,941	193,495
	420,032,918	341,897,988

Credit risk arising from property development

The Group does not have any significant credit risk as its services and products are predominantly rendered and sold to a large number of customers using financing from reputable end-financiers. Credit risks with respect to trade receivables are limited as the ownership and rights to the properties revert to the Group in the event of default.

Credit risk arising from property investment

Credit risk arising from outstanding receivables from tenants is minimised by closely monitoring the limit granted to the tenants and their credit worthiness. In addition, the tenants have placed security deposits with the Group which act as collateral.

As at 31 December 2025, the carrying amount of the refundable security deposits is RM39,501,674 (2024: RM36,220,543).

No allowance is made for impairment for trade receivables that are neither past due nor credit-impaired and contract assets based on the Group's historical credit loss experience and forecast of economic conditions.

The Group's trade receivables that are past due but not credit-impaired relate to customers for which there is low probability that the receivables are not fully recoverable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Cash and bank balances

The cash and bank balances are mainly held with bank and financial institution counterparties, which have financial strength and are reputable with high credit rating and no history of default. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Impairment on cash and bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group and the Company consider that their cash and bank balances have low credit risk based on the creditworthiness of the counterparties.

Other receivables

Credit risk on other receivables is mainly arising from sundry debtors and deposits receivables. The Group monitors the repayment on an individual and 12-month expected loss basis.

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

As at the end of the reporting period, the Group did not recognise any allowance for impairment losses.

Financial guarantees

The Company provides secured financial guarantees to banks in respect of banking facilities granted to certain subsidiaries. The Company monitors the ability of the subsidiaries to service their loan on an individual basis by using internal information available.

The maximum exposure to credit risk is the outstanding banking facilities of the subsidiaries as at the end of the reporting period.

As at the end of the reporting period, there was no indication that any subsidiary would default on repayment.

The financial guarantees have not been recognised since the fair value on initial recognition was not material.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Inter-company loan and services

The Company provides unsecured loans and advances to subsidiaries. The Company monitors the results of the subsidiaries regularly.

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

Generally, the Company considers amounts due from fellow subsidiaries as low credit risk.

As at the end of the reporting period, there was no indication that the loans and advances to the subsidiaries are not recoverable.

(ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and financial liabilities.

The Group's and the Company's funding requirements and liquidity risk are managed with the objective of meeting business obligations on a timely basis. The Group and the Company finance its liquidity through internally generated cash flows and minimises liquidity risk by keeping committed credit lines available.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the reporting date based on contractual undiscounted repayment of obligations.

Group	Carrying amount	Contractual interest rate	Contractual cashflows	Under 1 year	1 - 5 years
	RM	%	RM	RM	RM
Non-derivative financial liabilities					
2025					
Trade payables	114,235,056	-	114,235,056	114,235,056	-
Other payables	269,401,282	-	269,401,282	229,899,608	39,501,674
Revolving credit	831,723,333	3.95 - 4.45	831,723,333	831,723,333	-
	1,215,359,671		1,215,359,671	1,175,857,997	39,501,674
2024					
Trade payables	96,479,614	-	96,479,614	96,479,614	-
Other payables	206,966,944	-	206,966,944	170,746,401	36,220,543
Term loans	27,687,232	4.00 - 4.54	28,585,999	19,226,836	9,359,163
Revolving credit	390,000,000	4.19	390,000,000	390,000,000	-
	721,133,790		722,032,557	676,452,851	45,579,706

**NOTES TO THE FINANCIAL STATEMENTS
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	Carrying amount RM	Contractual interest rate %	Contractual cashflows RM	Under 1 year RM
Company Non-derivative financial liabilities				
2025				
Other payables	206,248	-	206,248	206,248
Amount due to subsidiaries	844,282,651	3.14	844,282,651	844,282,651
Corporate guarantee* (Note 29)	240,000,000	-	-	-
2024				
Other payables	219,896	-	219,896	219,896
Amount due to subsidiaries	643,419,970	3.28	643,419,970	643,419,970
Corporate guarantee* (Note 29)	240,000,000	-	-	-

* Based on the maximum amount that can be called for under the corporate guarantee contract.

(iii) Market risk

Foreign currency risk

Foreign currency risk is the risk of fluctuation in fair value or future cash flows of a financial instrument as a result of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities.

The Group's principal foreign currency exposure relates to Singapore Dollar ("SGD").

During the financial year, there is no formal hedging policy with respect to foreign exchange risk exposure. The Group monitors its foreign exchange risk exposure on an on-going basis and endeavours to keep the net exposure at an acceptable level.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

The carrying amounts of the Group's financial instrument that denominated in a currency other than the functional currency are as follows:

	SGD RM
Group	
2025	
Other investment	2,626,960
Cash and bank balances	170,269
	2,797,229
2024	
Other investment	2,307,822
Cash and bank balances	177,394
	2,485,216

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in the SGD exchange rate against RM, with all other variables held constant.

		2025 Effect on profit before tax RM	2024 Effect on profit before tax RM
Group	Change in currency rate		
SGD	Strengthen 10% (2024: 10%)	279,723	248,522
	Weakened 10% (2024: 10%)	(279,723)	(248,522)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

Interest rate risk

Interest rate risk is the risk that changes in market prices, such as interest rates that will affect the Group's and the Company's financial position or cash flows.

The Group's and the Company's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

The Group and the Company managed interest rate risk through effective use of its floating and fixed rate debts.

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

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed rate instrument				
Financial assets	-	50,000,000	-	-
Floating rate instruments				
Financial assets	1,987,649	1,921,426	-	-
Financial liabilities	(831,723,333)	(417,687,232)	(844,282,651)	(643,419,970)
	<u>(829,735,684)</u>	<u>(415,765,806)</u>	<u>(844,282,651)</u>	<u>(643,419,970)</u>

Interest rate risk sensitivity analysis

Cashflow sensitivity analysis for variable rate instruments

A change of 100 basis points ("bp") in interest rates during the reporting period would have increased/(decreased) the Group's and the Company's pre-tax profit or loss by approximately RM8,297,000 and RM8,443,000 (2024: RM4,158,000 and RM6,434,000) respectively.

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

Fair value of financial instruments

The carrying amounts of cash and bank balances, short-term receivables and payables, amount due by/(to) subsidiaries and short-term borrowings approximate fair values due to the relatively short-term nature of these financial instruments.

The determination of fair value of other investment is categorised as Level 1, based on quoted prices in active markets.

The carrying amount of the non-current portion of other payable are reasonable approximate of fair value due to the insignificant impact of discounting.

The carrying amount of the of loans and borrowings that carry floating interest rates approximate their fair value as they are insignificant impact of discounting and re-priced to market interest rates on or near the reporting date.

34. CAPITAL MANAGEMENT

The primary objective of the Group's and the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital using a debt-to-capital ratio, which is net debt divided by total capital plus net debt. Net debt comprises borrowings and trade and other payables, less cash and bank balances whereas total capital comprises the equity attributable to equity holders of the Company.

	Group		Company	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade payables	114,235,056	96,479,614	-	-
Other payables	269,401,282	206,966,944	206,248	219,896
Amount due to subsidiaries	-	-	844,282,651	643,419,970
Loans and borrowings	831,723,333	417,687,232	-	-
Less: Cash and bank balances	<u>(321,281,611)</u>	<u>(211,202,175)</u>	<u>(915,372)</u>	<u>(337,815)</u>
Net debt	<u>894,078,060</u>	<u>509,931,615</u>	<u>843,573,527</u>	<u>643,302,051</u>
Total capital	<u>4,697,589,694</u>	<u>4,184,583,726</u>	<u>1,422,757,901</u>	<u>1,424,124,815</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Group		Company	
	2025 RM	2024 RM	2025 RM	2024 RM
Capital and net debt	<u>5,591,667,754</u>	<u>4,694,515,341</u>	<u>2,266,331,428</u>	<u>2,067,426,866</u>
Debt-to-capital ratio	<u>0.16</u>	<u>0.11</u>	<u>0.37</u>	<u>0.31</u>

There were no changes in the Group's and the Company's approach to capital management during the financial year.

The Company is not subject to any externally imposed capital requirements.

35. COMMITMENTS

(i) Capital commitments

This represents the balance of the contracted purchase price of land.

	Group	
	2025 RM	2024 RM
Capital expenditure Contracted but not provided for: Freehold land	<u>706,797,340</u>	<u>1,025,173,384</u>

(ii) Operating lease arrangements (as lessor)

The Group has entered into non-cancellable operating leases agreements on its investment property. The future minimum lease payments receivable under non-cancellable operating leases contracted for as at the reporting date but not recognised as receivables, are as follows:

	Group	
	2025 RM	2024 RM
Not later than 1 year	77,205,034	73,483,006
Later than 1 year but not later than 5 years	<u>63,560,606</u>	<u>58,419,312</u>
	<u>140,765,640</u>	<u>131,902,318</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

36. MATERIAL LITIGATION

The Group is not engaged in any material litigation cases as at the date of this report other than the followings:

(i) Gan Keng Wah & Gan Kian Hock (“Plaintiff”) vs SJ

Plaintiff are claiming against SJ for alleged encroachment and nuisance arising from excavation works carried out by SJ on its land, which is adjacent to the Plaintiffs’ property. The claim includes special damages amounting to RM1,000,000, in addition to other general damages, interest, and costs to be assessed by the Court.

In response, SJ has filed a Counter Claim alleging that the encroachment originated from the Plaintiff’s land and is affecting its own land. SJ is claiming RM699,201 in special damages, alongside other general damages, interest, and legal costs.

As at date of report, the matter is still ongoing.

(ii) Bandan Pegurusan Bersama Pangsapuri Maple Residence (“JMB”) vs KSLR

JMB filed a discovery order against KSLR on the premises which discovered recurring roof and inter-floor leaks, swimming-pool seepage and signs of differential settlement. To evaluate possible defects litigation, the JMB needs the original construction warranties, waterproofing guarantees and structural reports that remain in the developer’s files.

The case was dismissed by the High Court during the financial year.

(iii) Lee Wee Kang, Chan Chee Hong, Lim Siok Hui, Subramaniam A/L Sunnathamby, Boo Hooi Ping, Sharvin A/L Ragavan and G.Muguthan A/L Gangatharan (“Plaintiff”) vs KSLR, Skyjewel Sdn.Bhd.(“Skyjewel”)

Plaintiff are claiming against KSLR and Skyjewel for breach of the Deed of Mutual Covenant (“DMC”) and the invalidation of the DMC premised on purported illegality. Plaintiff asked the High Court to cancel the DMC, ordered full disclosure of accounts since 2016, investigate any profits and pay them back into the estate’s maintenance fund.

The High Court dismissed the claim and awarded Skyjewel costs of RM70,000.

Plaintiff has appealed to the Court of Appeal and seek overturning of the decision and all relevant reliefs.

The Court has fixed the hearing on 16 November 2026.

The solicitors are of the view there is a reasonable prospect of success in defending the appeal.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

37. SIGNIFICANT EVENTS

On 30 April 2025, Sering Cemerlang Sdn. Bhd., a wholly-owned subsidiary of the Group, successfully secured a parcel of land through an auction, which previously owned by Southern Perk Sdn. Bhd., located in Mukim Bandar Johor Bahru, for a purchase consideration of RM136,800,000.


The acquisition was completed during the financial year.


38. SUBSEQUENT EVENT


On 25 February 2026, the Group via its subsidiary, Wawari Development Sdn. Bhd. by subscribing 167,500 ordinary shares representing 67% interest in Wawari Legacy Sdn. Bhd. at a cash consideration of RM167,500.



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