CORPORATE GOVERNANCE OVERVIEW STATEMENT

THE BOARD OF DIRECTORS (BOARD) OF MKH BERHAD RECOGNISE THE IMPORTANCE OF PROMOTING GOOD CORPORATE GOVERNANCE TO ENSURE LONG TERM SUSTAINABILITY, GROWTH AND DELIVERING VALUE.

The Board is pleased to present the Corporate Governance Overview Statement (CG Overview Statement), which is made pursuant to Paragraph 15.25(1) of the Main Market Listing Requirements (MMLR) of Bursa Malaysia Securities Berhad (Bursa Securities) to the shareholders on the manner MKH Berhad ("MKH" or "the Company") and its subsidiaries (the Group) have applied the key Principles and Practices in accordance with the Malaysian Code on Corporate Governance 2021 (the Code) during the financial year ended 30 September 2025.

PRINCIPLES AND PRACTICES

PRINCIPLE A:
BOARD LEADERSHIP AND EFFECTIVENESS

PRINCIPLE B:
EFFECTIVE AUDIT AND RISK MANAGEMENT

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

This overview statement is to be read together with the Corporate Governance Report (CG Report), made pursuant to Paragraph 15.25(2) of the MMLR of Bursa Securities which articulates the application of the Company's corporate governance practices as set out in the CG Report.

The CG Report is available on the Company's website at **www.mkhberhad.com** and Bursa Malaysia's website.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES

Board Duties and Responsibilities

The Board is primarily responsible for the Group's overall strategic plans, business performance, overseeing the proper conduct of the Group's business, risk management, succession planning, investor relations, shareholders' communication, internal control, corporate governance practices and statutory matters.

To ensure effective discharge of its responsibilities, the Board delegates specific powers to other Board Committees and the management as prescribed under the Code namely, Executive Committee, Audit Committee, Nomination Committee, Remuneration Committee, Risk Management Committee and Sustainability Committee to ensure appropriate checks and balances in discharging its oversight function. These committees operate under clearly defined terms of reference as approved by the Board to oversee and deliberate matters within their purview.

Executive Committee	Nomination Committee	Risk Management Committee
Audit Committee	Remuneration Committee	Sustainability Committee

The Board meets periodically to conduct review and update to the Board Charter, the Code of Ethics and Conduct as well as all its governing policies across the Group at all levels. The Board Charter which outlines the duties and responsibilities of the Board and matters specifically reserved for collective decision of the Board, serves as a source of reference and primary induction literature for Directors in discharging their duties.

The Board has since 2020 approved the adoption of Anti-Bribery and Corruption Policy which is implemented across the Group at all levels.

The Board Charter, the Code of Ethics and Conduct, the Whistleblowing Policy, the External Auditors Assessment Policy, the Anti-Bribery and Corruption Policy and the Fit and Proper Policy which were approved and adopted by the Board are available for viewing on the Company's website at **www.mkhberhad.com**

Chairman of the Board

The Board is led by an experienced Executive Chairman, who is accountable for ensuring the integrity and effectiveness of the governance process of the Board.

The Executive Chairman is primarily responsible for the orderly conduct of the Board meetings and ensure effectiveness of the Board as well as to ensure that all strategic and critical issues are discussed by the Board in a timely manner.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES (CONT'D)

Separation of the Position of Chairman and Chief Executive Officer (CEO)

The roles and responsibilities of CEO in the Company is assumed by the Managing Director (MD). There is a clear division of responsibilities to ensure a balance of authority and power as the roles of the Chairman and the MD are held by two different individuals. The responsibilities of the Chairman and the MD are set out in the Board Charter.

The MD is responsible for the development and implementation of the Board policies and business direction, formulating business strategies for the Group's business operation based on effective risk management controls and overseeing and managing the day-to-day operation of the Group, including defining the limits of Management's responsibilities.

Qualified and Competent Company Secretary

The Board is supported by a qualified and competent Company Secretary under the Companies Act 2016 in carrying out the roles and responsibilities and ensuring that Board meeting procedures are followed. The Board has direct access to the professional advice and services of the Company Secretary, especially relating to procedural and regulatory requirements such as company and securities laws and regulations, governance matters and MMLR of Bursa Securities.

The profile of the Company Secretary is provided on page 29 of this Annual Report.

The Company Secretary attends the Board meetings and Board Committee meetings to ensure that all deliberation of issues discussed and decisions/conclusions made are recorded accurately. The Company Secretary also facilitates timely communication of decisions made by the Board at Board meetings to the Senior Management team for action and work closely with the Senior Management team to ensure that there are timely and appropriate information flow within and to the Board and Board Committees and between the Non-Executive Directors and the management.

The Company Secretary constantly keeps himself abreast with the latest regulatory changes and/or development in corporate governance by attending the necessary trainings, conferences, seminars and/or workshops to ensure effective discharge of his advisory role to the Board.

Access to Information and Advice

The Board has access to all information within the Company on matters requiring information for deliberation. The Board may seek independent professional advice, at the Company's expense, if required in furtherance of their duties.

The Notice of Board meeting and the board papers are circulated at least seven (7) days prior to the meeting.

BOARD RESPONSIBILITIES (CONT'D)

Access to Information and Advice (Cont'd)

The board papers are issued in advance thus given sufficient time for the Board members to peruse the matters that will be tabled at the Board meeting and this enhances the overall decision-making process. The MD, Chief Financial Officer and Group Company Secretary would lead the presentation of board papers and provide comprehensive explanations of business plans, business performance, corporate proposals (if any), progress reports on operations in relation to the risk management and other pertinent issues.

The Board has full access to both internal and external auditors and received reports on audit findings via the Audit Committee. All matters raised, discussions, deliberations, decisions and conclusions including dissenting views made at the meeting are recorded in the minutes of meeting.

The Board is also regularly updated and kept informed by the Company Secretary and the management on corporate disclosures and compliance with company and securities regulations and listing requirements such as restriction in dealing with the securities of the Company and updates on the latest developments in legislations and regulatory framework affecting the Group issued by the various regulatory authorities.

Board Charter

The Board has adopted a Board Charter, which sets out the Board's strategic intent and outlines the Board's roles and responsibilities including the vision and mission and principles of the Company and the policies and strategy development of the Group. The Board Charter also serves as a source of reference and primary induction literature, providing insights to new Board members and matters specifically reserved for collective decision of the Board.

The Board Charter will be periodically reviewed and updated in accordance with the objectives and responsibilities of the Board and any new regulations that may have an impact on the discharge of the Board's responsibilities.

The Board had reviewed and approved the Board Charter to enhance governance practices by the Board in line with the principles of good corporate governance of the Code and requirements of MMLR of Bursa Securities.

Code of Ethics and Conduct

The Board is committed to create a corporate culture that adhere to the best practices of corporate governance and to uphold high standard of corporate conduct. The Code of Ethics and Conduct (the Ethics Conduct) which set out the ethical standards and appropriate conduct at work adopted by the Group and is applicable to all employees and Directors of the Group.

The Ethics Conduct covers the areas of conflict of interest, confidential information, insider information and securities trading, protection of Group's assets and etc. The details of the Ethics Conduct are available for reference on the Company's website at **www.mkhberhad.com**

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD RESPONSIBILITIES (CONT'D)

Fit and Proper Policy

The Board has approved the adoption of Fit and Proper Policy which is implemented to guide the Board and the Nomination Committee in the assessment and evaluation of candidates that are to be appointed and reappointment of Directors to the Board and the Group. This Policy which was approved by the Board will be reviewed once every two (2) years or at more frequent intervals from time to time to remain aligned with MMLR of Bursa Securities taking into consideration changes in the law and regulatory requirements.

The Fit and Proper Policy is posted on the Company's website at **www.mkhberhad.com**

Whistleblowing Policy

The Board has put in place Whistleblowing Policy, a mechanism for its employees and stakeholders to report any concerns relating to possible improper conduct within the Company in matters relating to financial, compliance, misconduct, wrongdoing and other malpractices in an appropriate manner. The Group encourages its employees to raise genuine concerns within the Group in an appropriate way without the fear of retaliation and the identity of the whistleblower will be protected and kept confidential.

The Whistleblowing Policy is posted on the Company's website at **www.mkhberhad.com**

Anti-Bribery and Corruption Policy

The Board has approved the adoption of Anti-Bribery and Corruption Policy (ABC Policy) which is implemented across the Group at all levels. This ABC Policy which sets out its expectations for internal and external parties working for and on behalf of the Group in preventing bribery or corrupt practices in relation to the Group's businesses.

This ABC Policy which was approved by the Board will be reviewed at least once every year taking into consideration changes in the law and regulatory requirements.

The Anti-Bribery and Corruption Policy is posted on the Company's website at **www.mkhberhad.com**

BOARD COMPOSITION

The Board presently has seven (7) members comprising three (3) Executive Directors including the Chairman and Managing Director, three (3) other Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This is in line with Chapter 15.02 of the MMLR of Bursa Securities, which requires that at least two (2) Directors or one-third (1/3) of the Board of the Company, whichever is the higher, are independent directors.

BOARD COMPOSITION (CONT'D)

In the event of any vacancy in the Board, resulting in non-compliance of the number of Independent Directors required in the Board, the Company shall fill the vacancy within three (3) months from that event.

Board Composition

Executive Directors including the Chairman and Managing Director

Independent Non-Executive Directors

Non-Independent Non-Executive Director

The Independent Directors led by Dato' Lim Hong Shuan as the Senior Independent Non-Executive Director of the Company, to whom concern of shareholders, management, employees and others may be conveyed by way of writing to the Company's registered address or electronic mail to limhsg10514@gmail.com or contact via Tel: **+603-8737 8228**. The role of the Senior Independent Non-Executive Director is also explained in the Board Charter.

The Board having reviewed its size and composition is satisfied that its current size and composition is well balanced, with diverse professional background, skills, expertise and knowledge in discharging its responsibilities for the proper functioning of the Board and fairly reflects the investment in the Company by shareholders apart from the largest shareholder. Furthermore, the current number of Board members is conducive for efficient deliberations at Board meetings and effective conduct of Board decision-making.

Brief profile of each Director is detailed under Profile of Directors in this Annual Report.

Independence

The Board supports the highest standards of corporate governance and the development of best practices for the Company. The concept of independence adopted by the Board is in line with the definition of an Independent Director under Paragraph 1.01 and Practice Note 13 of the MMLR of Bursa Securities, i.e. independent from management and are free from any business or other relationships that could materially interfere with the exercise of their independent judgement. Independent Non-Executive Directors are required to voice their reservations of any Board decisions in areas such as policies and strategies which could be detrimental to the interest of the minority shareholders of the Company.

Tenure of Independent Directors

There are three (3) Independent Non-Executive Directors on the Board presently and the Board recognises the importance of independence and objectivity in the decision-making process.

The Board is mindful of the recommendation of the Code that the tenure of an independent director should not exceed a cumulative term of nine (9) years and if the Board continues to retain the independent director after the ninth year, a two-tier voting process should be applied. In addition, the enhanced MMLR limits the tenure of an independent director to not more than a cumulative tenure of twelve (12) years.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD COMPOSITION (CONT'D)

Tenure of Independent Directors (Cont'd)

In compliance with the amendment to the Bursa Securities's MMLR on the enhancement of the definition of Independent Directors, the cooling-off period for the appointment of Independent Directors has been revised from two (2) to three (3) years for an officer, non-independent non-executive director, adviser or transacting party of MKH or its related corporation.

Board Diversity

The Board comprised of members who are specialised in the property development and construction sector, plantation/agriculture sector, professional in accounting sector, professional in legal sector and corporate finance sector. These wide spectrum of competencies, capabilities, skills and relevant business experience provide the Board with a diverse set of expertise and knowledge in discharging its responsibilities for the proper functioning of the Board and ensure that the Group continues to be competitive within its diverse industry segment.

The current Board composition in terms of each of the Director's industry and/or background experience and age is as follows:

Directors	Industry/Background Experience					Age Composition			
	Property Development and Construction	Professional in Legal	Plantation/Agriculture	Professional in Accounting	Corporate Finance	50 to 59 years	60 to 69 years	70 to 79 years	80 to 89 years
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	✓		✓						✓
Tan Sri Datuk Chen Lok Loi	✓							✓	
Datuk Chen Fook Wah	✓						✓		
Dato' Lim Hong Shuan		✓					✓		
Ms. Hoon Shat Mei				✓	✓	✓			
Ms. Lee Pei Yee				✓	✓	✓			
En. Jeffrey bin Bosra				✓		✓			

BOARD COMPOSITION (CONT'D)

Gender Diversity

In managing the diversity of the Board, the Board complied with the MMLR of Bursa Securities with the appointment of Ms. Hoon Shat Mei and Ms. Lee Pei Yee to the Board as Independent Non-Executive Directors of the Company.

MALE	FEMALE
71.4%	28.6%

The Board acknowledges the importance of diversity in its membership, including gender, ethnicity and age and strives to maintain the right balance for effective functioning of the Board.

During the financial year under review, the Board has not established the policy on gender diversity. However, the presence of gender diversity across the Board and Senior Management and the Group at all levels are selected on suitability as well as potential candidate equipped with the competency, skills, experience, character, time commitment, integrity and other qualities in meeting the future needs of the Company so as to ensure balances gender and skills diversity, ethnicity and age within the Group.

Nomination Committee

The Nomination Committee was established on 27 November 2012. The present Nomination Committee comprises of two (2) members, all of whom are Independent Non-Executive Directors and they are responsible to make independent recommendations for new appointments to the Board. The members of the Nomination Committee and their attendance at the Nomination Committee meeting held during the financial year under review are as follows:

Name	Designation	Attendance	Percentage
Dato' Lim Hong Shuan	Chairman	1/1	100%
Ms. Hoon Shat Mei	Member	1/1	100%

The summary activities undertaken by the Nomination Committee in the discharge of its duty for the financial year under review are as follows:

i) reviewed the Directors who were due for re-election by rotation and/or re-appointment;

ii) reviewed the Board's required mix of skills, current size and composition, experience and other qualities including the core competencies which Independent Non-Executive Directors should bring to the Board;

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD COMPOSITION (CONT'D)

Nomination Committee (Cont'd)

iii) evaluated the independence of the Independent Non-Executive Directors based on the criteria of "Independence" as prescribed in the MMLR of Bursa Securities and the Corporate Governance Guide issued by Bursa Securities;

iv) assessed and evaluated the effectiveness of the Board based on specific criteria such as Board composition and structure, principal responsibilities of the Board, the Board process and Board governance;

v) assessed and evaluated the individual Directors' performance and the effectiveness of the Board as a whole together with the Audit Committees' performance;

vi) reviewed the proposed criteria and considerations that underpin the Fit and Proper Policy in relation to appointment and re-appointment of Directors;

vii) identified suitable training programmes for the Directors and Audit Committee; and

viii) deliberated on the findings of the assessments and reported the findings to the Board.

The terms of reference of the Nomination Committee are available for reference on the Company's website at **www.mkhberhad.com**

BOARD COMPOSITION (CONT'D)

Board and Board Committee Evaluation

The Nomination Committee also assesses the effectiveness of the Board as a whole and Audit Committee and the contribution of each individual Director, including Independent Non-Executive Directors on an annual basis. The evaluation process was led by the Nomination Committee's Chairman and supported by the Company Secretary. The evaluation results were considered by the Nomination Committee, which then made recommendations to the Board with the aim of helping the Board to discharge its duties and responsibilities. The evaluation was based on specific criteria such as Board composition and structure, principal responsibilities of the Board, the Board process and Board governance.

The Nomination Committee conducted the Board members performance evaluation via questionnaires which covers Board's effectiveness as a whole together with Directors' self-assessment. The Directors' self-assessment was conducted to evaluate the mix of skills, experience and the individual Director's ability to contribute and exercise independent judgement towards the effective functioning of the Board. The Nomination Committee also conducted the review of the Audit Committee members' performance via questionnaire and self and peer evaluation form to ensure a balanced and objective review by the Directors and the Audit Committee for the abovementioned key areas.

During the deliberation of the performance of an individual Director who is also a member of the Nomination Committee, that member will abstain from the deliberation of his or her own performance to avoid any conflict of interests.

The Nomination Committee, pursuant to the annual review that was carried out, was satisfied that the size of the Board is optimum, well-balanced with the appropriate mix of skills and experience for the composition of the Board and its Committees. All assessments and valuation carried out by the Nomination Committee in discharging its duties were also properly documented.

Board Meetings

The Board meets at least four (4) times a year either through physical, virtual or hybrid meetings and has a formal schedule of matters reserved to it. Additional meetings are held on an ad-hoc basis to deliberate on matters requiring its immediate attention. The Board is supplied with full and timely information to enable it to discharge its responsibilities. During these meetings, the Board reviews the Group's financial performance, business operations, reports of the various Board Committees and results are deliberated and considered. Management and performance of the Group and any other strategic issues that affect or may affect the Group's businesses are also deliberated.

During the financial year, the Board met five (5) times; whereat it deliberated and considered a variety of matters affecting the Company's operations including the Group's financial results, business plan and direction of the Group.

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD COMPOSITION (CONT'D)

Board Meetings (Cont'd)

The attendance record of each Director is as follows:

Name	No. of Meetings Attended	Percentage
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	5/5	100%
Tan Sri Datuk Chen Lok Loi	5/5	100%
Datuk Chen Fook Wah	5/5	100%
Dato' Lim Hong Shuan	5/5	100%
Ms. Hoon Shat Mei	5/5	100%
Ms. Lee Pei Yee	5/5	100%
En. Jeffrey bin Bosra	5/5	100%

In the intervals between Board meetings, any matters requiring urgent Board decisions and/or approval will be sought via circular resolutions which are supported with all the relevant information and explanations required for an informed decision to be made.

In fostering the commitment of the Board to devote sufficient time to carry out their responsibilities, each Director is required to notify the Chairman of the Board prior to accepting directorships outside the Group. Similarly, the Chairman of the Board shall also do likewise before taking up any additional appointment of directorships. The notification will also include an approximate indication of time that will be spent by the Directors on the new directorships.

All Directors shall not hold more than five (5) directorships in other public listed companies as required under Paragraph 15.06 of the MMLR of Bursa Securities.

Retirement and Re-election

In accordance with the Company's Constitution, all Directors who are appointed by the Board are subjected to re-election by the shareholders in the next Annual General Meeting (AGM) subsequent to their appointment. At least one-third (1/3) of the Directors are required to retire from office by rotation annually and subject to re-election at each AGM. All Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election which is in line with the MMLR of Bursa Securities.

Any person appointed by the Board either to fill a casual vacancy or as an addition to the existing Directors, shall hold office until the conclusion of the next AGM and shall then be eligible for re-election.

The Directors due for re-election by rotation pursuant to Clause 112(1) of the Company's Constitution at the forthcoming AGM are Datuk Chen Fook Wah and Ms. Hoon Shat Mei.

BOARD COMPOSITION (CONT'D)

Directors' Training

The Nomination Committee has taken on the responsibility in evaluating and determining the specific and continuous training needs of the Directors on a regular basis. The Directors had attended courses/ conferences and/or in-house training from time to time to enhance their skills and knowledge and to keep abreast with the relevant changes in laws, listing requirements, regulations and business environment in order to discharge their duties more effectively.

All the Directors had completed the Mandatory Accreditation Programme as specified by MMLR of Bursa Securities.

The Directors are mindful that they should continually attend seminars and courses to keep themselves abreast with the latest economic and corporate developments as well as new regulations and statutory requirements. The Directors are also encouraged to evaluate their own training needs on a continuous basis and to determine the relevant programmes, seminars, briefings or dialogues available that would best enable them to enhance their knowledge and contributions to the Board.

The Board is also updated by the Company Secretary on the latest update/amendments on the MMLR of Bursa Securities and other regulatory requirements relating to the discharge of the Directors' duties and responsibilities.

The training programmes, seminars and/or conferences attended by the Directors during the financial year are as follows:

Director	Training/Seminars/Conferences
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	• "The 14th Malaysia-China Entrepreneurs Conference" organised by the Malaysia-China Chamber of Commerce • "Mandatory Accreditation Programme Part II: Leading for Impact (LIP)" organised by Institute of Corporate Directors Malaysia • Conferment of The Special ASEAN Excellence Award for the 2025: "Best ASEAN ESG Excellence Award for Plantation Sustainability"

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

Director	Training/Seminars/Conferences
Tan Sri Datuk Chen Lok Loi	• "Mandatory Accreditation Programme Part II: Leading for Impact (LIP)" organised by Institute of Corporate Directors Malaysia • "Asia Real Estate Leaders Business Delegation" organised by REHDA Institute • CEO Series 2025 "Economy & Business Forum" organised by REHDA Institute • "Building Management Series 3 – Rejuvenating Building Management" organised by "Persatuan Pengurusan Kompleks Malaysia" and Building Management Association of Malaysia • "Asia Real Estate Leaders – Melbourne, Victoria, Australia Study Trip & Housing Dialogue" organised by REHDA Institute • "International Strata Symposium 2025" organised by REHDA Institute • "Lunch Forum – Resilient Cities, Sustainable Futures" organised by REHDA Institute • "International Green Build Conference (IGBC) 2025" organised by REHDA Institute and GreenRE • MKH Team Building - 2 Days 1 Night Core Value Experience Event • "ASEAN Real Estate Conference (AREC) 2025" organised by "Kementerian Perumahan dan Kerajaan Tempatan (KPKT)"
Datuk Chen Fook Wah	• "Mandatory Accreditation Programme Part II: Leading for Impact (LIP)" organised by Institute of Corporate Directors Malaysia • "Sell like a Strategist: Master the Property Game with Influence, Mindset & Closing Power" organised by Hartamas Academy Resources Sdn. Bhd. • "Residential Real Estate Transactions: From Contract to Completion" organised by Hartamas Academy Resources Sdn. Bhd.
Dato' Lim Hong Shuan	• "Mandatory Accreditation Programme Part II: Leading for Impact (LIP)" organised by Institute of Corporate Directors Malaysia • "Audit Committee Conference 2025" organised by Malaysian Institute of Accountants (MIA)

BOARD COMPOSITION (CONT'D)

Directors' Training (Cont'd)

Director	Training/Seminars/Conferences
Ms. Hoon Shat Mei	• "Cyber Security Awareness 2025" organised by Public Mutual Berhad • "Professional Conduct & Responsibilities 2025" organised by Public Mutual Berhad • "Anti Money Laundering Act 2025 & Countering Financing of Terrorism 2025" organised by Public Mutual Berhad • "Introduction to PRS Business" organised by Public Mutual Berhad • "Audit Committee Conference 2025" organised by Malaysian Institute of Accountants (MIA)
Ms. Lee Pei Yee	• "MIA Town Hall 2024/2025 (Session 1)" organised by Malaysian Institute of Accountants (MIA) • "Carbon Accounting for CFOs and Finance Professionals" organised by MIA • Leadership Training using Psychological Types: Honouring individual differences at the workplace" organised by MIA • "Emerging Strategic Risks and Mitigation Strategies for 2025: Exclusive Board and C-Suite Brief" organised by MIA • Reverse Governance: What if the Algorithm Assesses the Board?" organised by Institute of Corporate Directors Malaysia (ICDM) • "Boardroom Blindspots: How Our Perceptions of Risk Influence our Boardroom Effectiveness" organised by ICDM • "Audit Committee Conference 2025" organised by MIA
En. Jeffrey bin Bosra	• "Audit Oversight Board Conversation with Audit Committee" organised by Securities Commission Malaysia • "Challenges in the Business World – Risk & Compliance issues posed by V.U.C.A. (Volatility, Uncertainty, Complexity and Ambiguity)" organised by Minority Shareholders Watch Group (MSWG) • "Audit Committee Conference 2025" organised by Malaysian Institute of Accountants (MIA)

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

REMUNERATION

The levels of remuneration for Executive Directors are linked to experience, scope of responsibilities, service seniority, performance of the Executive Directors and published market survey information in order to attract, retain and motivate the Executive Directors to run the Group successfully. The components of the remuneration package for the Executive Directors include fixed salary, allowance, bonus, performance incentive and benefits-in-kind.

The levels of remuneration for Independent Non-Executive Directors are based on their contribution to the Group in terms of their knowledge, experience and level of responsibilities undertaken by the Independent Non-Executive Directors concerned. The determination of Directors' fees for all Independent Non-Executive Directors shall be a matter for the Board as a whole.

Remuneration Committee

The Remuneration Committee was established on 27 November 2012 and comprises of two (2) members, all of whom are Independent Non-Executive Directors. The members of the Remuneration Committee and their attendance at the Remuneration Committee meetings held during the financial year under review are as follows:

Name	Designation	Attendance	Percentage
Dato' Lim Hong Shuan	Chairman	1/1	100%
Ms. Lee Pei Yee	Member	1/1	100%

The Remuneration Committee is responsible for recommending to the Board on the remuneration framework and packages of all Directors and in the case of Non-Executive Directors' fees including Board Committees' fees, the approval of the shareholders is required. The Directors shall abstain from deliberation and voting on their own remuneration.

During the financial year under review, the Committee held one (1) meeting to deliberate on the following:

(a) review of the salaries, bonuses and incentives of Senior Management of the Group;

(b) approve the remuneration package and bonus for the Executive Directors; and

(c) reviewed and updated the terms of reference of Remuneration Committee to ensure it continues to remain relevant and appropriate for the Remuneration Committee members in discharging their function.

The terms of reference of the Remuneration Committee are available for reference on the Company's website at **www.mkhberhad.com**

REMUNERATION (CONT'D)

Directors' Remuneration

The details of the remuneration of Directors during the financial year are as follows:

Company Level

Name	Directors' Fees RM	Salaries and bonuses RM	Allowance RM	Benefit-in-kind RM	Other Emoluments* RM	Total RM
Executive Directors						
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong	-	-	-	-	-	-
Tan Sri Datuk Chen Lok Loi	-	-	-	-	-	-
Datuk Chen Fook Wah	-	-	-	-	-	-
Non-Executive Directors						
Dato' Lim Hong Shuan	60,000∞	-	15,000	-	-	75,000
Ms. Hoon Shat Mei	60,000∞	-	17,000	-	-	77,000
Ms. Lee Pei Yee	60,000∞	-	12,000	-	-	72,000
En. Jeffrey bin Bosra	60,000∞	-	11,000	-	-	71,000
Total	**240,000**	**-**	**55,000**	**-**	**-**	**295,000**

Note:
** Inclusive of Employees Provident Fund*
∞ Subject to approval of shareholders at the forthcoming AGM of MKH Berhad in 2026

PRINCIPLE A

BOARD LEADERSHIP AND EFFECTIVENESS

REMUNERATION (CONT'D)

Directors' Remuneration (Cont'd)

The details of the remuneration of Directors during the financial year are as follows:

Group Level

Name	Directors' Fees RM	Salaries and bonuses RM	Allowance RM	Benefit-in-kind RM	Other Emoluments* RM	Total RM
Executive Directors						
Tan Sri Dato' Chen Kooi Chiew @ Cheng Ngi Chong^	365,000#	8,295,129	12,000	24,644	-	8,696,773
Tan Sri Datuk Chen Lok Loi^	365,000#	4,990,350	6,000	33,632	948,170	6,343,152
Datuk Chen Fook Wah	-	1,400,668	-	22,700	266,132	1,689,500
Non-Executive Directors						
Dato' Lim Hong Shuan	60,000∞	-	15,000	-	-	75,000
Ms. Hoon Shat Mei	60,000∞	-	17,000	-	-	77,000
Ms. Lee Pei Yee	60,000∞	-	12,000	-	-	72,000
En. Jeffrey bin Bosra	60,000∞	-	11,000	-	-	71,000
Total	**970,000**	**14,686,147**	**73,000**	**80,976**	**1,214,302**	**17,024,425**

Note:
** Inclusive of Employees Provident Fund*
^ Non-Executive Director of MKH Oil Palm (East Kalimantan) Berhad (MKHOP)
∞ Subject to approval of shareholders at the forthcoming AGM of MKH Berhad in 2026
 # Subject to approval of shareholders at the forthcoming AGM of MKHOP in 2026

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE

Composition of Audit Committee

The Audit Committee comprises four (4) members, majority who are Independent Non-Executive Directors. The Chairman of the Audit Committee, Ms. Hoon Shat Mei is a member of the Association of Chartered Certified Accountants (ACCA). The other members of the Audit Committee are Dato' Lim Hong Shuan, Ms. Lee Pei Yee and En. Jeffrey bin Bosra.

Relationship with Auditors

The Company's independent external auditors perform an essential role for the shareholders by enhancing the reliability of the Company's financial statements and giving assurance of that reliability to users of these financial statements.

The Board through the Audit Committee maintains a transparent and professional relationship with the external auditors. The external auditors will communicate to the Audit Committee and the Board when they become aware of any significant weaknesses in the Company's system of internal control, including fraud, during the course of their audit that may require the attention of the Audit Committee and the Board.

The role of the Audit Committee in relation to the external auditors is set out on pages 136 to 140 of this Annual Report.

For the financial year under review, the external auditors had attended all the Audit Committee meetings and general meeting of the Company and had five (5) meetings with the Audit Committee without the presence of any Executive Director and management, to discuss the audit findings and any other observations they may have during the audit process.

The external auditors have also confirmed that they are and have been, independent throughout the conduct of the audit engagement in accordance with the independence criteria as set out by the MIA By-Laws and have provided the declaration in their annual audit plan presented to the Audit Committee of the Company.

The Audit Committee together with the Chief Financial Officer had undertaken an annual assessment of the competency and independence of the external auditors pursuant to the External Auditors Assessment Policy, which has outlined the guidelines and procedures for the assessment on the suitability of the external auditors on 23 December 2025.

PRINCIPLE B

EFFECTIVE AUDIT AND RISK MANAGEMENT

AUDIT COMMITTEE (CONT'D)

Relationship with Auditors (Cont'd)

The Board, on the recommendation of the Audit Committee, is of the view that the declaration of independence, integrity and objectivity made by the external auditors in their audit report for each financial year under review is sufficient to serve as a written assurance from the external auditors on their independence and integrity throughout the conduct of the audit engagement in accordance with the independence criteria as set out by MIA By-Laws, has recommended their re-appointment to the Board, upon which the shareholders' approval will be sought at the AGM.

The details of the External Auditors Assessment Policy are available for reference on the Company's website at **www.mkhberhad.com**

Directors' Responsibility Statement

The Directors are required by the Companies Act 2016 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company as at the end of the financial year and the results of the operations, changes in equity and cash flows of the Group and of the Company for the financial year. Where there are new accounting standards or policies that become effective during the financial year, the impact of these new treatments would be stated in the notes to the financial statements, accordingly.

In preparing those financial statements, the Directors ensure that management have:

- adopted appropriate accounting policies and consistently apply them;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable approved accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries, that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future.

AUDIT COMMITTEE (CONT'D)

Directors' Responsibility Statement (Cont'd)

The Directors have responsibility for ensuring that the Company keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements comply with the Companies Act 2016.

The Directors have taken such steps as are necessary to safeguard the assets of the Group and the Company to prevent fraud and other irregularities.

RISK MANAGEMENT AND INTERNAL CONTROL

The Risk Management Committee presently comprises four (4) members comprising one (1) Group Managing Director and three (3) other members from the Key Senior Management assists to the Audit Committee and the Board in discharging its risk management and control responsibilities.

The terms of reference of the Risk Management Committee are available on the Company's website at **www.mkhberhad.com**

The members of the Risk Management Committee are as follows:

Tan Sri Datuk Chen Lok Loi	Dato' Chong Yong Han	Kok Siew Yin	Tan Wan San
Designation			
Chairman	**Member**	**Member**	**Member**
Business Occupation			
Group Managing Director	Property Director	Chief Financial Officer	Treasury Director / Group Company Secretary

In fulfilling the primary objectives, the Risk Management Committee has been tasked to identify and communicate the existing and potential critical risk areas faced by the Group and the management action plans to mitigate such risks by working with the internal auditors in providing periodic reports and updates to the Audit Committee on a quarterly basis.

The Group's Statement on Risk Management and Internal Control provides an overview of the risk management framework and state of internal control within the Group is set out on pages 141 to 146 of this Annual Report.

PRINCIPLE C

INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

COMMUNICATION WITH STAKEHOLDERS

The Board recognises the need for stakeholders and the wider investment community to be kept informed of all material business matters affecting the Group. This is done through timely dissemination of information on the Group's performance and major developments which are communicated via the following channels:

a) the Annual Report and relevant circulars despatched to shareholders and published in the Company's website and Bursa Malaysia;

b) the convening of AGM and/or Extraordinary General Meeting;

c) the release of various disclosures and announcements including quarterly financial announcements; and

d) press releases and analysts briefings.

The Company leverages on the use of information technology by maintaining a corporate website at https://www.mkhberhad.com for effective dissemination of information which shareholders or other stakeholders can easily access to the latest corporate information of the Group.

All information released to Bursa Malaysia is posted on the Investor Relations section of the Company's website at **https://mkhberhad.com/investor-relations/**

The Group's investor relationship is helmed by the Managing Director, Chief Financial Officer, Property Director and Deputy Property Director, who attends to various investors namely fund managers and investment analysts, while the Corporate Communications Department will communicate with members of the media.

The Group has appointed Ms. Kok Siew Yin, the Chief Financial Officer to respond to investor queries and concerns pertaining to financial performance (Tel: **+603-8737 8228**, Fax: **+603-8736 5436**, E-mail: ir@mkhberhad.com), whereas the Company's developments related queries may be referred to the Deputy Property Director, Dato' Chen Way Kian (Tel: **+603-8737 8228**, Fax: **+603-8736 5436**, E-mail: ccm@mkhberhad.com).

In addition, stakeholders who wish to reach the respective divisions of the Group may do so through the "Contact Us" page for enquiries and feedback purpose.

CONDUCT OF GENERAL MEETINGS

The AGM which is held once a year is the principal forum for dialogue with individual shareholders. At the Company's AGM, shareholders have direct access to the Board and are given the opportunity to ask questions during the AGM. The shareholders are encouraged to ask questions both about the resolutions being proposed or about the Company's operations in general. The Chairman of the Board also addresses the shareholders on the review of the Company's operations for the financial year and outlines the prospects of the Company for the new financial year. Additionally, immediately after the AGM, the Board may also meet members of the press.

The external auditors of the Company are invited to attend the AGM to answer any questions relating to the conduct of the audit and contents of the Auditors' Report.

The Company's upcoming AGM will be held at Emerald Ballroom, 1st Floor, RHR Hotel @ Kajang, Jalan Semenyih, 43000 Kajang, Selangor Darul Ehsan on Thursday, 12 March 2026 at 10.00 a.m.

The notice of the AGM to be issued at least 28 days prior to the date of the meeting in accordance with the Malaysian Code on Corporate Governance 2021.

The notice and agenda will also be published in the local English newspaper and made available on the Group's website at **www.mkhberhad.com**

Statement on Compliance

The Board having duly considered the rationale for the said exception as explained in the CG Report is committed to comply with the key Principles and Practices of the Code.

This Corporate Governance Overview Statement has been approved by the Board on 23 December 2025.