



**PERAK  
CORPORATION  
BERHAD**

[Reg. No: 199101000605 (210915-U)]

● **PROPERTY DEVELOPMENT** ●

INDUSTRIAL PARK



PORT & LOGISTICS



● **HOSPITALITY & TOURISM** ●

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TEAMWORK . HONESTY . RESPONSIBILITY . INTEGRITY . VALUE CREATION . ENTERPRISE

**ANNUAL REPORT 2024**



**PERAK  
CORPORATION  
BERHAD**

[Reg. No: 199101000605 (210915-U)]

**INCORPORATED IN MALAYSIA**

# **2024 ANNUAL REPORT**

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## PERAK CORPORATION BERHAD

Registration No.: 199101000605 (210915-U)  
(Incorporated in Malaysia)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty-Fourth Annual General Meeting (“**34<sup>th</sup> AGM**”) of Perak Corporation Berhad (“**Perak Corp**” or “**the Company**”) will be held fully physically at Casuarina Convention Centre 3, Hotel Casuarina @ Meru, No. 1-C, Jalan Meru Casuarina, Bandar Meru Raya, 30020 Ipoh, Perak Darul Ridzuan on **Monday, 30 June 2025 at 10.00 a.m.** to transact the following businesses:

### AGENDA

#### AS ORDINARY BUSINESS

1. To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Report of the Directors and Auditors thereon. [Explanatory Note 1]
2. To approve the payment of Directors’ fees and benefits up to an amount of RM662,000.00 from the date of the conclusion of this AGM until the date of the next AGM to be paid on a monthly basis. **Resolution 1**  
[Explanatory Note 2]
3. To re-elect the following Directors who retire by rotation in accordance with Clause 15.2 of the Company’s Constitution:  
(a) Dato’ Seri Ir Mohamad Othman bin Zainal Azim **Resolution 2**  
(b) Datuk Seri Dr Hj Hasim bin Hasan **Resolution 3**  
(c) Faizul Hilmy bin Ahmad Zamri **Resolution 4**  
[Explanatory Note 3]
4. To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to fix their remuneration. **Resolution 5**  
[Explanatory Note 4]

#### AS SPECIAL BUSINESS

5. **Ordinary Resolution - Authority to Issue and Allot Shares** **Resolution 6**  
[Explanatory Note 5]

“**THAT**, pursuant to Sections 75 and 76 of the Companies Act 2016 (“**Act**”), and subject always to the Constitution of the Company and the approval of the relevant authorities, the Directors be and are hereby authorised to issue and allot shares in the Company at any time until the conclusion of the next AGM and to such person or persons, upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deemed fit, provided that the aggregate number of shares to be issued does not exceed 10% of the total number of issued shares of the Company for the time being and that the Directors are also empowered to obtain the approval from the Bursa Malaysia Securities Berhad (“**Bursa Securities**”) for the listing of and quotation for the additional shares to be issued.

And that pursuant to Section 85 of the Act to be read together with Clause 11.2 of the Constitution of the Company, approval be given to waive the statutory pre-emptive rights of the shareholders of the Company and empowered the Directors of the Company to issue and allot new ordinary shares pursuant to Sections 75 and 76 of the Act without first offering them to the existing shareholders to maintain their relative voting and distribution rights and such new shares shall rank pari passu in all respect with the existing class of ordinary shares.”

6. **Ordinary Resolution - Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature**

**Resolution 7**  
[Explanatory Note 6]

"That approval be and is hereby given pursuant to Paragraph 10.09 of the Main Market Listing Requirements of Bursa Securities for the Company and/or its subsidiaries to enter into the recurrent related party transactions of a revenue or trading nature which are necessary for day-to-day operations with the Related Parties, as detailed in Section 2.2 of the Circular to Shareholders of the Company dated 30 April 2025, subject to the following:

- (a) the transactions are carried out in the ordinary course of business on terms not more favourable to the Related Parties than those generally available to the public and not detrimental to minority shareholders of the Company; and
- (b) disclosure is made in the annual report of the aggregate value of transactions conducted pursuant to the shareholders' mandate during the financial year based on the following information:
  - (i) the type of the recurrent related party transactions made; and
  - (ii) the names of the Related Parties involved in each type of the recurrent related party transactions made and their relationship with the Company.

That the approval given in the paragraph above shall only continue to be in force until:

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

whichever is the earlier.

And that authority be and is hereby given to the Directors of the Company to complete and do all such acts and things (including executing all such documents as may be required) to give effect to the transactions contemplated and/or authorised by this Ordinary Resolution."

7. To transact any other business of which due notice shall have been given in accordance with the Act and the Company's Constitution.

By order of the Board

Cheai Weng Hoong  
Company Secretary

Ipoh  
30 April 2025



## NOTES:

- a. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Securities, all resolutions at the AGM will be put to vote by way of poll.
- b. For the purposes of determining a member who shall be entitled to attend, speak and vote (collectively, “**Participate**”) in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd to issue a Record of Depositors as at 19 June 2025. Only members whose names appear in the Record of Depositors as at 19 June 2025 will be entitled to Participate in this AGM.
- c. A member of the Company who is entitled to Participate at the meeting may appoint any person to be his/her proxy to Participate in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy shall have the same rights as the member to Participate at the meeting.
- d. Where a member 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 Authorised Nominee may appoint in respect of each omnibus account it holds.
- e. When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- f. The instrument appointing a proxy shall be in writing under the hand of the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- g. The instrument appointing a proxy must be deposited at the Registered Office of the Company at No. 1 Jalan Lasam, 30350 Ipoh, Perak Darul Ridzuan at least 48 hours before the time appointed for holding the AGM i.e. no later than Saturday, 28 June 2025 at 10.00 a.m. or at any adjournment thereof.
- h. The registration for the 34<sup>th</sup> AGM will commence on Monday, 30 June 2025 at 9.00 a.m.

## EXPLANATORY NOTES:

These Explanatory Notes set out further information regarding the Agenda and the proposed resolutions to be considered by the members of the Company at the AGM.

### 1. Audited Financial Statements for financial year ended 31 December 2024

The audited financial statements under Agenda 1 are meant for discussion only, as the provision of Section 340(1)(a) of the Act does not require a formal approval of the shareholders and hence, Agenda 1 is not put forward for voting.

### 2. Resolution 1

The Board through the Nomination and Remuneration Committee has assessed and agreed to the proposed Directors' fees and benefits payable to the Directors from the conclusion of the date of this AGM until the date of the next AGM at their respective meetings held on 6 March 2025 and 7 March 2025.

The breakdown of the proposed payment of Directors' fees on an annual basis is as follows:

Chairman	RM60,000
Other Directors	RM54,000 each

The Directors' benefits payable up to the amount of RM224,000.00 comprise meeting allowances.

The Directors' fees and benefits payable up to an amount of RM662,000.00 from the conclusion of the date of this AGM until the date of the next AGM shall be paid on a monthly basis at the end of each month.

In the event the Directors' fees and benefits proposed are insufficient (e.g. due to enlarged Board size or additional Board meetings to be convened), approval will be sought at the next AGM for additional fees or benefits to meet the shortfall.

### 3. Resolutions 2 to 4

The Board through the Nomination and Remuneration Committee has deliberated on the suitability of the Directors standing for re-election (“**Retiring Directors**”) at their respective meetings held on 6 March 2025 and 7 March 2025. Upon deliberation, the Board (except for the Retiring Directors) collectively agreed that the Retiring Directors have satisfied the fit and proper requirements and have the appropriate mix of skills and experience as well as have a sufficient level of involvement and deliberation of relevant issues as in line with the Group’s strategy. In addition, the performance and contribution of the Retiring Directors to the Company are highly satisfactory to discharge their respective roles as Directors of the Company and the Board recommended the Retiring Directors to be re-elected as the Directors of the Company.

The Retiring Directors, being eligible for re-election, have given their consent to seek re-election at the AGM.

The profiles of the Retiring Directors are disclosed under the Profile of the Board of Directors in the Annual Report and the details of their interest in the securities of the Company are disclosed under Analysis of Shareholdings in the Annual Report.

### 4. Resolution 5

The Board through the Audit Committee has assessed and is satisfied with the quality of audit and services, adequacy of resources, performance, competency and independence of the external auditors, Messrs Crowe Malaysia PLT, which are in accordance with the Paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities, at their respective meetings held on 6 March 2025 and 7 March 2025 and recommended the re- appointment of Messrs Crowe Malaysia PLT at the AGM.

Messrs Crowe Malaysia PLT have indicated their willingness to continue their services for the ensuing year.

### 5. Resolution 6

Ordinary Resolution 6, if passed, will give authority to the Directors of the Company to allot and issue shares of the Company up to and not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being for such purposes as the Directors consider would be in the best interest of the Company without convening a meeting of members. The general mandate will provide flexibility to the Company for any possible fund-raising activities, including but not limited to further placing of shares, for purpose of funding future investment project(s), working capital, repayment of bank borrowings and/or acquisition(s).

This general mandate, unless revoked or varied at a meeting of members, will expire at the conclusion of the next AGM.

### 6. Resolution 7

Ordinary Resolution 7, if passed, will allow the Company and its subsidiaries to enter into the recurrent related party transactions (“**RRPTs**”) of a revenue or trading nature which are necessary for the day-to-day operations and are in the ordinary course of business of the Group. The details of the RRPTs are set out in the Circular to Shareholders dated 30 April 2025 issued together with the Annual Report 2024 of the Company.

# CORPORATE INFORMATION

## Board of Directors

**Datuk Redza Rafiq bin Abdul Razak**  
*Chairman, Non-Independent and Non-Executive Director*

**Andy Liew Hock Sim**  
*Independent and Non-Executive Director*

**Tan Chee Hau**  
*Independent and Non-Executive Director*

**Ahmad Yani bin Aminuddin**  
*Independent and Non-Executive Director*

**Faizul Hilmy bin Ahmad Zamri**  
*Independent and Non-Executive Director*

**Dato' Seri Ir. Mohamad Othman bin Zainal Azim**  
*Independent and Non-Executive Director*

**Datuk Seri Dr. Hj Hasim bin Hasan**  
*Independent and Non-Executive Director*

**Noor Azlin binti Zainal Abidin**  
*Independent and Non-Executive Director*

### AUDIT COMMITTEE

Chairman  
**Andy Liew Hock Sim**

Members  
**Tan Chee Hau**  
**Datuk Seri Dr. Hj Hasim bin Hasan**

### INVESTMENT COMMITTEE

Chairman  
**Datuk Seri Dr. Hj Hasim bin Hasan**

Members  
**Tan Chee Hau**  
**Faizul Hilmy bin Ahmad Zamri**

### TENDER COMMITTEE

Chairman  
**Faizul Hilmy bin Ahmad Zamri**

Members  
**Ahmad Yani bin Aminuddin**  
**Dato' Seri Ir. Mohamad Othman bin Zainal Azim**

### RISK MANAGEMENT COMMITTEE

Chairman  
**Tan Chee Hau**

Members  
**Andy Liew Hock Sim**  
**Dato' Seri Ir. Mohamad Othman bin Zainal Azim**

### NOMINATION AND REMUNERATION COMMITTEE

Chairman  
**Ahmad Yani bin Aminuddin**

Members  
**Faizul Hilmy bin Ahmad Zamri**  
**Datuk Seri Dr. Hj Hasim bin Hasan**

### KEY SENIOR MANAGEMENT

Group Chief Executive Officer  
**Rosmin bin Mohamed**

Chief Executive Officer,  
Lumut Maritime Terminal Sdn Bhd  
**Dato' Hj. Mubarak bin Ali Gulam Rasul**

### COMPANY SECRETARY

Cheai Weng Hoong  
(LS 0005624)

### REGISTERED OFFICE

No. 1, Jalan Lasam  
30350 Ipoh  
Perak Darul Ridzuan

Tel. : +6 (05) 2380612  
Fax : +6 (05) 2461689  
Email : info@sharedservices.com.my

### REGISTRAR

Shared Services & Resources Sdn. Bhd.  
No. 1, Jalan Lasam 30350 Ipoh  
Perak Darul Ridzuan

Tel. : +6 (05) 2380612  
Fax : +6 (05) 2461689  
Email : info@sharedservices.com.my

### PRINCIPAL PLACE OF BUSINESS

No. 1-A, Blok B, Menara PKNP  
Jalan Meru Casuarina  
Bandar Meru Raya 30020 Ipoh  
Perak Darul Ridzuan  
Tel. : +6(05) 501 9888  
Fax : +6(05) 501 9904  
Website : www.perakcorp.com.my

### AUDITORS

Crowe Malaysia PLT  
201906000005  
(LLP0018817-LCA) & AF 1018  
Chartered Accountants  
Level 16, Tower C, Megan Avenue II  
12, Jalan Yap Kwan Seng  
50450 Kuala Lumpur

### PRINCIPAL BANKERS

Affin Islamic Bank Berhad  
Bank Islam Malaysia Berhad  
CIMB Bank Berhad  
Malayan Banking Berhad

### STOCK EXCHANGE LISTING

Main Market  
Bursa Malaysia Securities Berhad  
Name : PRKCORP  
Stock Code : 8346

## FINANCIAL HIGHLIGHTS

Financial year ended 31 December 2024	2024	2023	2022	2021	2020
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Continuing Operations</u>					
Revenue	153,884	160,651	149,001	245,244	131,220
Earnings/ (Loss) before interest, taxes, depreciation and amortisation	46,037	53,095	68,271	78,828	(21,665)
Profit/(Loss) before tax	27,660	32,053	41,827	49,040	(52,556)
Profit/(Loss) after tax	16,792	19,389	29,660	18,958	(63,421)
<u>Discontinued Operation</u>					
Revenue	-	-	-	-	415
Loss before interest, taxes, depreciation and amortisation	-	-	-	(2,526)	(17,166)
Loss before tax	-	-	-	(35,177)	(39,515)
Loss after tax	-	-	-	(34,930)	(39,226)
Net profit/ (loss) for the financial year	16,792	19,389	29,660	(15,972)	(102,647)
Profit/ (Loss) attributable to equity holders of the Company	2,786	2,859	13,359	(12,626)	(95,214)

		2024	2023	2022	2021	2020
Total assets	RM'000	590,859	540,184	526,659	549,208	727,500
Shareholders' equity	RM'000	268,971	257,179	242,790	218,130	(116,735)
Owners' equity	RM'000	97,853	95,067	92,208	78,849	91,475
Total borrowings	RM'000	144,027	119,953	127,955	183,212	548,325
Paid-up capital	Unit'000	100,000	100,000	100,000	100,000	100,000
Net assets per share	RM	2.69	2.57	2.43	2.18	(1.17)
Share price as at fiscal year-end	RM	0.42	0.48	0.25	0.42	0.34
Return on total assets	%	2.84	3.59	5.63	(2.91)	(14.11)
Return on equity	%	2.85	3.01	14.49	(16.01)	(104.09)
Gross dividend per share	%	0.00	0.00	0.00	0.00	0.00
Gross dividend yield per share	%	0.00	0.00	0.00	0.00	0.00
Earnings/(Loss) per share	Sen	2.79	2.86	13.36	(12.63)	(95.21)
Price-earnings ratio	Times	15.05	16.78	1.87	N/A	N/A
Gearing ratio	%	73.54	70.35	70.10	77.40	89.38

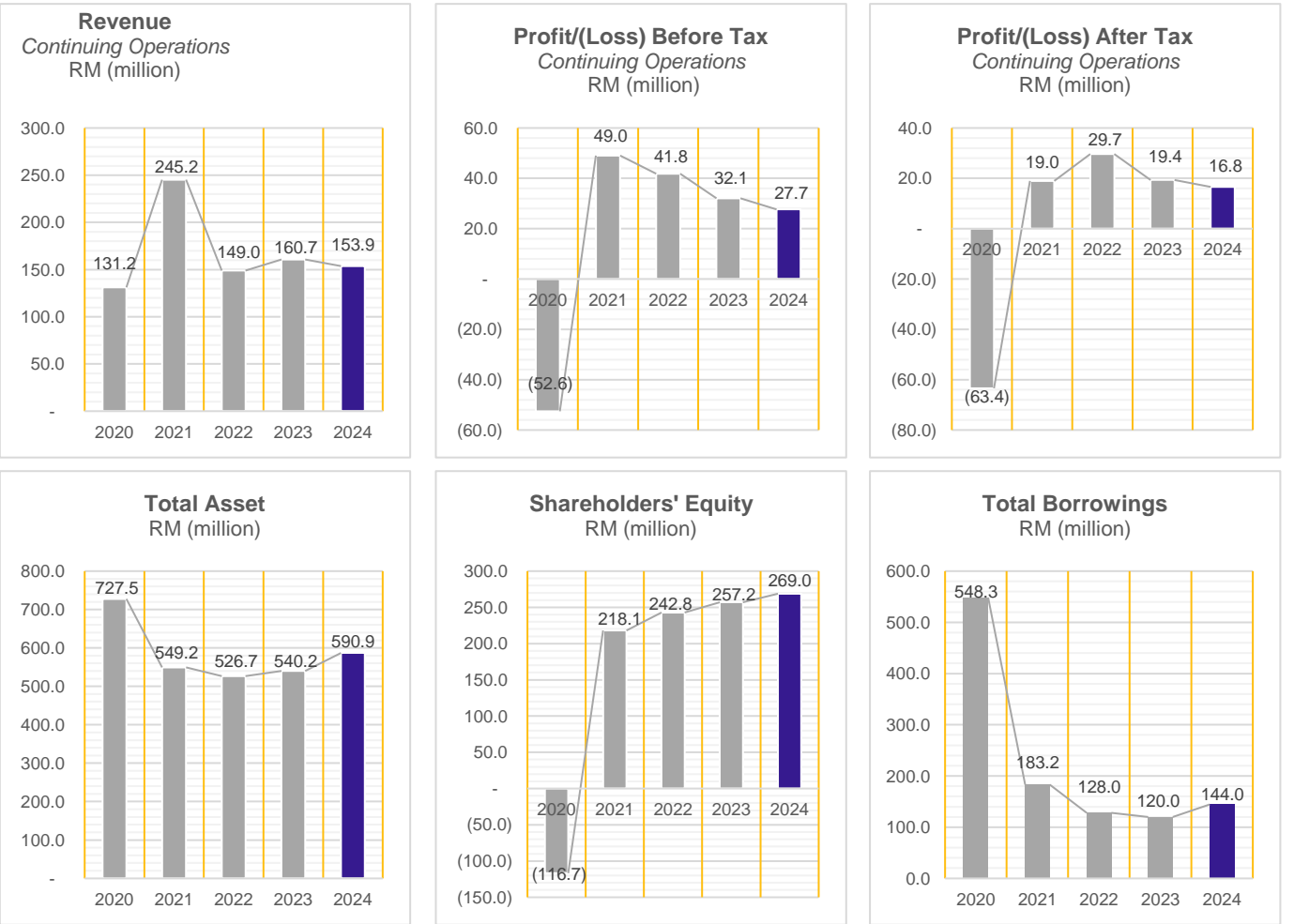


# FINANCIAL HIGHLIGHTS

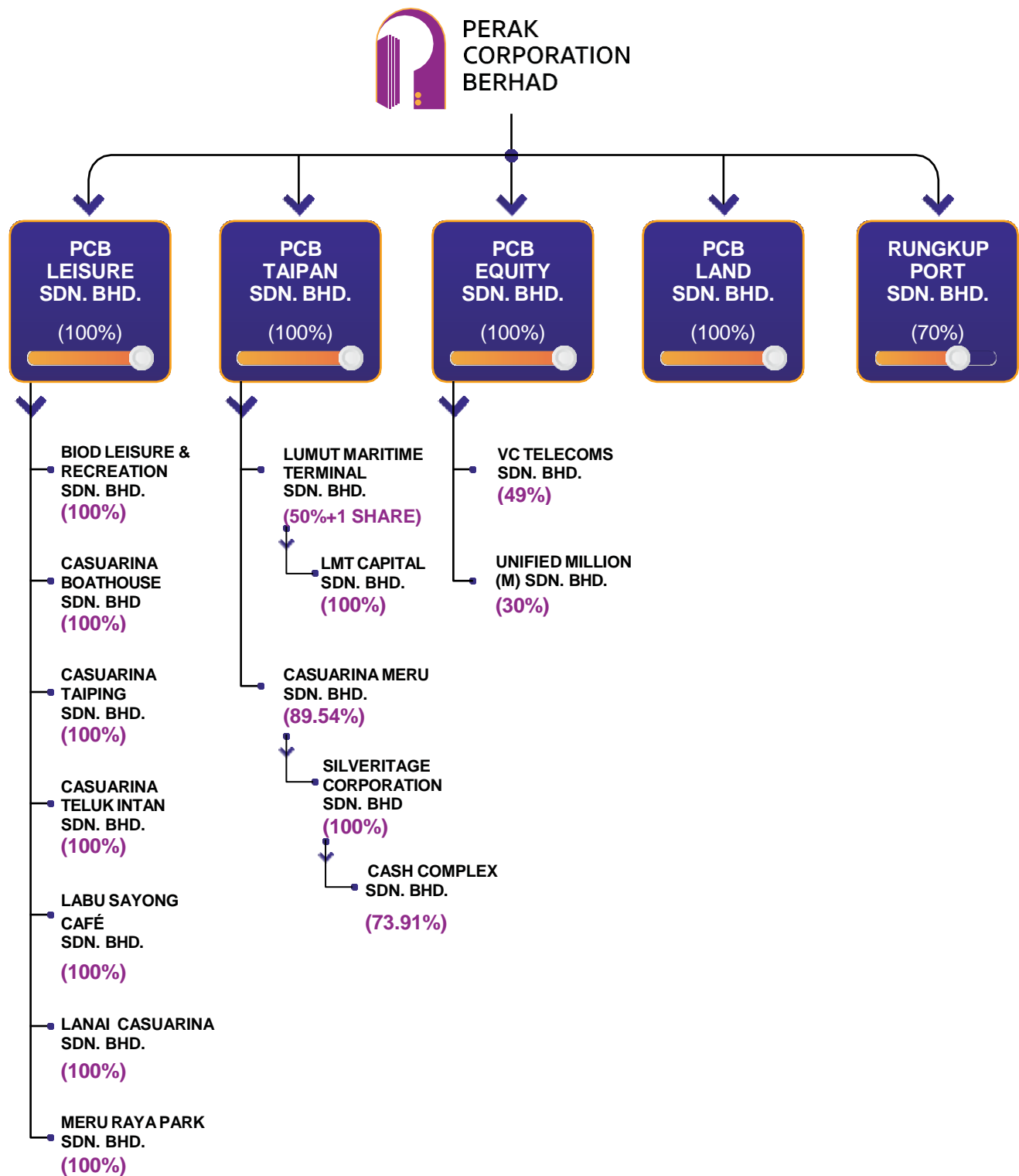
## 2024 PERFORMANCE SNAPSHOT

<div>Revenue</div> <div>RM153.9</div> <div>MILLION</div> <div>(2023 : RM160.7 million)</div>	<div>Profit Before Tax</div> <div>RM27.7</div> <div>MILLION</div> <div>(2023 : RM32.1 million)</div>	<div>Profit After Tax</div> <div>RM16.8</div> <div>MILLION</div> <div>(2023 : RM19.4 million)</div>
<div>Total Assets</div> <div>RM590.9</div> <div>MILLION</div> <div>(2023 : RM540.2 million)</div>	<div>Shareholders' Equity</div> <div>RM269.0</div> <div>MILLION</div> <div>(2023 : RM257.2 million)</div>	<div>Total Borrowings</div> <div>RM144.0</div> <div>MILLION</div> <div>(2023 : RM120.0 million)</div>

## Summary of Financial Performance



CORPORATE STRUCTURE  
AS AT 31 DECEMBER 2024



## PROFILE OF DIRECTORS



**DATUK  
REDZA RAFIQ BIN ABDUL RAZAK**  
*Chairman  
Non-Independent and Non-Executive Director*

MALAYSIAN | MALE | AGE 57

Datuk Redza Rafiq bin Abdul Razak was appointed to the Board of Perak Corporation Berhad on 25 February 2021 as a Non-Independent, Non-Executive Director. He was later appointed Vice Chairman on 24 May 2022 and subsequently assumed the position of Chairman on 1 August 2022.

He is the Chief Executive of Perbadanan Kemajuan Negeri Perak (PKNPk), the State of Perak's lead agency entrusted with driving economic and socio-economic development. He is also the Executive Chairman of MajuPerak Holdings Berhad (MHB), a key subsidiary under the PKNPk Group.

Datuk Redza brings over 30 years of experience in economic development, regional planning, and property investment. His career has seen him at the forefront of some of Malaysia's most transformative national and regional initiatives, including Cyberjaya, the Northern Corridor Economic Region (NCER), the Special Border Economic Zone, Malaysia Vision Valley, and the Pagoh Special Economic Zone. Known for his strategic foresight and turnaround expertise, he has led multiple organisational restructurings and new entity establishments, creating value for both companies and stakeholders.

During his tenure at Cyberview, he led the organisation to achieve consistent annual profits,

enabling the declaration of yearly dividends to shareholders — a milestone that positioned Cyberview as the third-highest contributor of dividend income to the Malaysian Government in 2008. His leadership was further demonstrated when he organised Cyberfusion 2009 in Cyberjaya, an event that not only placed Cyberjaya on the global technology map but also made it Guinness World Record holder.

Internationally, he was invited to present Malaysia's Shared Value initiatives to former US Secretary of State Hillary Clinton and renowned strategist Professor Michael Porter, showcasing Malaysia's progress and innovation in inclusive economic development. His contributions were recognised locally when the Performance Management and Delivery Unit (PEMANDU) named him the best project implementer among all regional development corridors in 2013.

Further cementing his credibility, he was awarded the "Tokoh Cemerlang" recognition by Universiti Malaysia Perlis (UniMAP) in 2013 and later conferred an Honorary Doctorate (Economics) by the same institution. He also received the Innovative Planning Award from the Malaysian Institute of Planners in 2014 for his work on the Belum-Temengor Tropical Rainforest Integrated Masterplan — an initiative that exemplified sustainable planning and biodiversity conservation.

Between 2014 and 2017, the Malaysian Investment Development Authority (MIDA) recognised the development corridor under his leadership as the best-performing in terms of private sector investment. These achievements were underscored by his consistent excellence, having been a yearly recipient of the Employee Excellence Award by the Malaysia Digital Economy Corporation (MDEC) prior to his secondment.

Academically, Datuk Redza holds a Bachelor of Economics and Business (Hons) from the University of Hull, United Kingdom. He was later honoured by his alma mater as an Alumni Laureate for his exceptional achievements and significant contributions to the global community. In recognition of his professional success and thought leadership, LinkedIn also rated him as one of the notable Malaysian graduates from the University of Hull.

Throughout his career, Datuk Redza has served on the boards of numerous public and private institutions, including Universiti Sains Malaysia, Penang Port Sdn Bhd, Kulim Hi-Tech Park, Cyberview Sdn Bhd, Malaysia Venture Capital Sdn Bhd, and Prasarana Malaysia Berhad. He currently sits on the Boards of Lumut Maritime Terminal Sdn Bhd, Ipoh Cargo Terminal Sdn Bhd, and Universiti Sultan Azlan Shah. His corporate insight has also been sought in international joint ventures involving Sime Darby Property, Mitsui & Co., Mitsubishi Estate, and CapitaLand Singapore — specifically in the areas of industrial development and retail management.

He attended all seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024. Datuk Redza has no family relationships with any director and/or major shareholder of the Company. He has no conflict of interest with the Company and has not been convicted of any offence nor received any public sanction or penalty imposed by any regulatory authority in the past five (5) years.

## PROFILE OF DIRECTORS



**ANDY LIEW HOCK SIM**

*Independent and Non-Executive Director*

**MALAYSIAN | MALE | AGE 45**

Andy Liew Hock Sim was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 6 August 2020. He was also appointed as the Chairman of the Audit Committee and a member of the Risk Management Committee on 6 August 2020 and 23 February 2022 respectively.

Andy is a Chartered Accountant with the Malaysian Institute of Accountants (MIA) and a member of the Certified Accountant (CPA) Australia. He has over 20 years of experience with major audit firms in audit, taxation and accountancy that he gained from both Malaysia and overseas. He was involved in numerous successful initial public offerings (IPO) in Malaysia, Singapore, Hong Kong and Germany throughout his career.

Andy started his career with a local audit firm in Malaysia. He then joined KPMG Kuala Lumpur after obtaining his professional qualifications, i.e. MIA and CPA Australia in 2006.

In KPMG Kuala Lumpur, he started to involve in the audit of Multinational Corporation (MNC) and public listed company (PLC). He was also involved in the IPO of a financial services company in the Main Market of Kuala Lumpur Stock Exchange (KLSE).

In 2008, he ventured to China and since then, he has spent eight (8) years in China. From 2008 to 2012, he worked in KPMG Beijing and actively involved in audit and IPO. In 2012, he joined a China-based manufacturing company in the capacity of Chief Financial Officer (CFO), and listed the company on the Frankfurt Stock Exchange in 2014 prior to his return to Malaysia.

Upon his return to Malaysia in 2016, he joined Baker Tilly Malaysia as the Director of the Transaction Reporting department. He was then promoted to Partner in 2017 and led a team of 40, specialising in IPO and was actively involved in various corporate exercises, e.g. business restructuring, mergers and acquisitions (M&A), reverse takeovers (RTO), transfer listing, financial due diligence, regularisation plans for PN17 companies, fund raising and etc. In 2019, he started his own public practice and assumed the role of Managing Partner.

At present, he also sits on the board of directors of XOX Berhad, XOX Networks Berhad and Oversea Enterprise Berhad.

He attended all seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024. He does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## PROFILE OF DIRECTORS



**TAN CHEE HAU**

*Independent and Non-Executive Director*

**MALAYSIAN | MALE | AGE 57**

Tan Chee Hau was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 20 October 2020. He was also appointed as the Chairman of the Risk Management Committee, a member of the Audit Committee and Investment Committee on 23 February 2022, 30 September 2022 and 24 August 2023 respectively.

He graduated from RMIT University, Melbourne, Australia with a Bachelor of Business (Accountancy & Finance) (Distinction) in 1991, and obtained his Chartered Accountant (CA) membership and Certified Practising Accountant (CPA) membership from the Malaysian Institute of Accountants (MIA) and CPA Australia respectively in 1995.

He has more than 30 years of experience in Corporate and Debt Restructuring, Corporate Finance, Private Equity and Accounting, and has worked for many companies/firms, including as Director & Co-Head of Corporate Finance of an Investment Bank, Head of Corporate Finance in several listed and private companies, Investment Director in a Private Equity company, and Senior Auditor in an International Accounting Firm. He has advised many companies on listings, restructuring, mergers and acquisitions, equity and debt fund raisings, etc.

He is presently involved in corporate finance advisory works and holds directorships in Lay Hong Berhad and in Luminor Assets Berhad.

He attended all seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024.

He does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

## PROFILE OF DIRECTORS



**AHMAD YANI BIN AMINUDDIN**

*Independent and Non-Executive Director*

**MALAYSIAN | MALE | AGE 54**

Ahmad Yani bin Aminuddin was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 1 July 2021. He was also appointed as the Chairman of the Nomination and Remuneration Committee and a member of the Tender Committee on 30 September 2022 and 23 February 2022 respectively.

He graduated with a Bachelor of Laws (Honors) from the International Islamic University of Malaysia in July 1997. In May 1998, he was admitted as an advocate and solicitor of the High Court of Malaya upon completion of reading in the chambers of the late Ngan Siong Hing of Messrs Abbas & Ngan.

He was retained as legal assistant in Messrs Abbas & Ngan and left the firm in August 2000 to join Malaysian Resources Corporation Berhad. There he was seconded to The News Straits Times Press group of companies as legal adviser.

Subsequently he re-joined Messrs Abbas & Ngan in February 2001 as an associate before he was made a partner in 2004. He is still with Messrs Abbas & Ngan and is a partner of the firm.

His scope of work from the commencement of his legal practice until the present time includes rendering advice to financial institutions and various individuals as well as corporations in relation to private, corporate and commercial matters, regulatory issues, property development projects and has appeared in all levels of courts and tribunals in a wide range of laws including torts (defamation, trespass, nuisance, negligent misstatement, misrepresentation, professional negligence), professional misconduct, intellectual property, insolvency, company (shareholders' disputes, derivative action, oppression), contract, election petition, construction, constitutional and administrative laws.

He is also a Deputy Chairman of the Perak Appeal Board under the Town and Country Planning Act 1976 since 2018 and an adjunct lecturer for final year law students in Universiti Utara Malaysia Sintok Kedah on subjects of duties of lawyers, lawyers' immunity, solicitor-client relationship and privileges, professional negligence and professional misconduct since 2019.

At present, he is also the Chairman of Ladang Lekir Sdn Bhd, a subsidiary of Perak State Agriculture Development Corporation (SADC).

He has attended six (6) out of seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024.

He does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

## PROFILE OF DIRECTORS



**FAIZUL HILMY BIN AHMAD ZAMRI**

*Independent and Non-Executive Director*

**MALAYSIAN | MALE | AGE 58**

Faizul Hilmy bin Ahmad Zamri was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 1 July 2021. He was also appointed as the Chairman of the Tender Committee and a member of the Nomination and Remuneration Committee on 23 February 2022 and a member of Investment Committee on 24 August 2023.

He graduated with LLB (Honours), ADIL, DIL from Universiti Teknologi Mara in 1992 and enrolled as an advocate and solicitor of the High Court of Malaya on 17 April 1993.

He first joined the law firm of Messrs WY Chan & Roy, Advocates & Solicitors as an associate and later joined as a partner in 1995. He is a litigator with special emphasis on contentious matters pertaining to Land Law, Administrative Law, Commercial, Aviation Law, Banking and Corporate Law, Building and Construction Law and Arbitration.

As a senior partner of the law firm, he advises and has acted for various institutions and corporations including, amongst others: KL Kepong Group of Companies, Taiko Group of Companies, Yee Lee Group of Companies, Batu Kawan Berhad, Tan Chong Holdings Berhad, Hexza Group, Total Investment Group of Companies, MAEKO Group, Aeon Co (M) Bhd, RCI Berhad, Alliance Bank Berhad, Public Bank Berhad, Hong Leong Bank Berhad and Malayan Banking Berhad. He has also advised and acted for the Canadian High Commission and has undertaken work for the Australian High Commission.

Faizul Hilmy is a member of Malaysian Bar Disciplinary Committee since 2014.

He has attended six (6) out of seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024.

He does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## PROFILE OF DIRECTORS



**DATO' SERI  
IR. MOHAMAD OTHMAN BIN ZAINAL AZIM**

*Independent and Non-Executive Director*

**MALAYSIAN | MALE | AGE 71**

Dato' Seri Ir. Mohamad Othman bin Zainal Azim was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 30 September 2022. He was also appointed as a member of the Risk Management Committee and the Tender Committee on 30 September 2022.

He graduated from the University of Southampton, UK in 1977 with a Bachelor of Science (Hons) Civil Engineering and obtained his Master of Civil Engineering at University of Birmingham, UK in 1988. He is registered as a Professional Engineer with the Board of Engineers, Malaysia.

Dato' Seri Ir. Mohamad Othman has accumulated over 42 years of experience in engineering and project development services. He started his career in 1977 as a District Engineer in the Publics Works Department and attached to the department until 1979.

His last service in Government was as Chief Operating Officer from 2009 until 2012 in the Project Management Unit (PMU) under the Ministry of Finance Malaysia. He successfully implemented the Government of Malaysia's Economic Stimulus Package and Mini Budget in tandem with the Annual Budget. In 2016, he was appointed as a Board member of University Malaya, UMSC, Chairman of UM Property Holdings Sdn Bhd and Pusat Perubatan University Malaya (PPUM).

In addition, he also had attended an advanced management programme organised by INSEAD, and several Senior Management Programme in Tokyo, Belgium and Sweden.

At present, Dato' Seri Ir. Mohamad Othman is also the Chairman of Straits Consulting Engineers Sdn Bhd; and sits on the boards of TCS Group Holdings Berhad and several private companies.

He has attended five (5) out of seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024.

He does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.



## PROFILE OF DIRECTORS



**DATUK SERI  
DR. HJ HASIM BIN HASAN**

*Independent and Non-Executive Director*

MALAYSIAN | MALE | AGE 64

Datuk Seri Dr. Hj Hasim bin Hasan was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 30 September 2022. He was also appointed as the Chairman of the Investment Committee on 24 August 2023, and a member of the Audit Committee and the Nomination and Remuneration Committee on 30 September 2022.

He graduated from Universiti Kebangsaan Malaysia (UKM) with a Bachelor of Arts in Political Science (Hons) and holds a Doctor of Philosophy in Strategic Studies from Universiti Utara Malaysia (UUM). He has obtained several awards and honours from the State Governments of Perak and Melaka for his contributions.

Datuk Seri Dr. Hj Hasim started his career as Assistant District Officer (Land) in 1989 and has been promoted a few times until 2004.

In 2005, he was appointed as Principal Assistant Secretary in Perak State Secretarial Office. Then he was promoted as District Officer for Perak Tengah in 2006. He was then appointed as State Development Director for the state of Perak in 2010. Later in 2019, Datuk Seri Dr. Hj Hasim was appointed as State Secretary of Melaka.

Due to his excellent performance as an Administrative and Diplomatic Officer, he has been promoted to the highest civil service position in the state of Melaka. He retired from government service in July 2021.

He has attended six (6) out of seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024.

He does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

## PROFILE OF DIRECTORS



**NOOR AZLIN BINTI ZAINAL ABIDIN**

*Independent and Non-Executive Director*

**MALAYSIAN | FEMALE | AGE 60**

Noor Azlin binti Zainal Abidin was appointed to the Board of Perak Corporation Berhad as the Independent and Non-Executive Director on 30 August 2023.

She is a graduate of Northern Illinois University, holding a Bachelor of Science in Computer Science and a Master of Science in Management Information Systems from the same institution.

With over 20 years of experience, she has successfully led complex and large-scale IT projects, demonstrating expertise in transformation programme management, business process reengineering, IT strategic planning, change management, and systems implementation.

She commenced her career at Accenture, a global IT and management consulting company, in 1989, and ascended to the position of Partner until her relocation to Belgium in 2004.

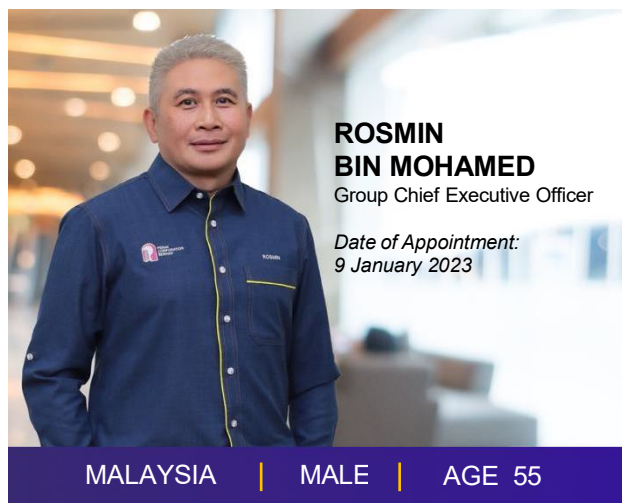
Her tenure at Accenture was marked by her pivotal role in establishing the Government Market Unit practice for the company's Kuala Lumpur office. She has collaborated with multiple government agencies, including Lembaga Hasil Dalam Negeri (LHDN), Kumpulan Wang Simpanan Pekerja (KWSP), and Malaysian Administrative Modernisation and Management Planning Unit (MAMPU), in various strategic undertakings to deliver innovative services and bolster efficiency in the public sector.

Since returning from Belgium, she has worked as an independent consultant, providing transformation programme advisory and related services to government-linked companies and statutory bodies. Additionally, she was appointed as a member of the Jawatankuasa Penasihat (JAPENA) ICT for Majlis Agama Islam Selangor (MAIS) for the 2024-2025 session. She is also a member of the Institute of Corporate Directors Malaysia (ICDM).

She has attended all seven (7) Board of Directors' meetings held during the financial year ended 31 December 2024

She does not have any family relationship with any director and/or major shareholder and has no conflict of interest with the Company. She has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.

## KEY SENIOR MANAGEMENT OF THE GROUP



### Academic/ Professional Qualification(s)

*Executive Management  
Hull University Business School  
Business Management  
Renong Training School*

### Directorship in Public Companies and Listed Issuer

*Nil*

### Working Experiences

*Head, Special Economic Zone Division in Sime Darby Property Berhad.  
Senior Vice President at Sime Darby Property Berhad, Malaysia Vision Valley (MVV) project.  
Senior Director of Development Division at Northern Corridor Implementation Authority ("NCIA").  
Senior Manager, Cyberview Sdn Bhd for Cyberjaya project.*

### Family Relationship

*He does not have any family relationship with any director and/ or major shareholder and has no conflict of interest with the Company.*

### Securities holding in the Company

*Nil*

### Conviction of offences

*He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.*



### Academic/ Professional Qualification(s)

*Master of Business Administration in General Management, University of Greenwich  
LCCI in Accounting – Inter and Higher*

### Directorship in Public Companies and Listed Issuer

*Nil*

### Working Experiences

*Director of Special Projects, National Air Cargo Middle East  
Director Abel (M) Sdn. Bhd.  
Senior Vice President, Business Development, Konsortium Logistik Berhad  
General Manager Commercial, Spanco Sdn. Bhd.  
Senior Manager, Alam Flora Sdn. Bhd.  
Resources Management Manager, Malaysia Airlines  
Operations Manager, United Parcel Service*

### Family Relationship

*He does not have any family relationship with any director and/ or major shareholder and has no conflict of interest with the Company.*

### Securities holding in the Company

*Nil*

### Conviction of offences

*He has no conviction for any offence within the past five (5) years nor any public sanction or penalty imposed by the relevant regulatory bodies during the financial year.*



## CHAIRMAN'S STATEMENT



“

*Dear Shareholders,*

*I am pleased to present the Annual Report of Perak Corporation Berhad (“Perak Corp” or the “Company”) for the financial year ended 31 December 2024 (“FY 2024”).*

*At the start of the year, we embarked on a new five (5) Years Strategic Development Plan focused on strengthening our core values, which will serve as the foundation for our future growth and enhanced brand visibility.*

”

Dear Shareholders,

The journey we have been on since 2019 has been far from easy. We faced multiple loan defaults that triggered our PN17 classification. We weathered the unprecedented impact of the pandemic. We navigated through several rounds of extensions and the complexities of crafting a self-rescued plan to secure our future.

Throughout it all, we stayed the course.

On 18 February 2025, we reached a significant milestone. We made a requisite announcement to undertake our Proposed Regularisation Plan, signalling that the Proposed Regularisation Plan has been finalised and is progressing toward submission.

This announcement was not made lightly. It reflects years of careful work and discipline.

As we present this Annual Report, I can say with conviction: **we are ready**. With three consecutive years of profit after tax and minority interest (“PATAMI”), this not only signifies the stabilisation of Perak Corp and its subsidiaries (“the Group”) but also affirms that we are firmly positioned to complete the submission of our Proposed Regularisation Plan.

The Proposed Regularisation Plan is not merely a compliance exercise. It represents a strategic, self-driven blueprint to uplift our PN17 status and revitalise the Group’s financial strength, operational fundamentals, and stakeholder confidence.

Driven by initiatives such as land rationalisation, unlocking value from strategic assets, and realigning operational priorities, the Proposed Regularisation Plan charts a clear path for Perak Corp to move beyond recovery-positioning the Group to emerge stronger, more resilient, and well-prepared for future growth.



## STRATEGIC DEVELOPMENT PLAN : A VISION TO THRIVE

At the start of 2024, we launched our 5 Year Strategic Development Plan (2024-2028), a forward-thinking framework to guide our transformation, drive sustainable growth, and reinforce our market presence. Anchored by our core values expressed through the acronym THRIVE, this plan defines how we move from resilience to resurgence:



This Strategic Development Plan is more than an internal blueprint - it is our commitment to stakeholders that Perak Corp is moving ahead with focus, structure, and measurable intent.

## MARKET LANDSCAPE AND BUSINESS RELEVANCE

The broader macroeconomic landscape in 2024 has been cautiously favourable, albeit uneven across sectors. Malaysia's economy demonstrated moderate recovery momentum, supported by stabilised trade activity, improved tourism sentiment, and an active property market. These trends intersected closely with the businesses of Perak Corp.

The ports and logistics sector registered a positive trajectory with container throughput reaching 30.1 million TEUs in 2024, up from 27.3 million TEUs in 2022. Although trade volume was moderated earlier in the year, recovery in the second half, driven by regional demand and e-commerce growth, restored momentum. This industry backdrop reinforces the strategic relevance of Lumut Port as a bulk cargo gateway. While operational interruptions at Lekir Bulk Terminal did impact our revenue from this segment, we continue to remain bullish on long-term growth, underpinned by the development of Lumut Maritime Terminal 2 ("LMT 2").

The Malaysian tourism and hospitality industry experienced a strong rebound, with value surging from RM85.9 billion in 2023 to RM121.6 billion in 2024, driven by increased cross-border movement, relaxed visa policies, and renewed confidence among travellers. This resurgence was clearly reflected in the performance and recognition of our Casuarina brand.

The property development sector, too, showed encouraging signs, with transaction volumes and values improving to RM232.3 billion in 2024, up from RM196.8 billion in 2023. Our strategic landholdings in Bandar Meru Raya benefitted from this momentum, and our partnerships have enabled us to accelerate monetisation while mitigating risk.

Together, these sectoral movements validate our commitment to the Group's three pillars of growth: ports and logistics, property development, and hospitality and tourism.

## FINANCIAL HIGHLIGHTS AND PERFORMANCE

For FY2024, the Group reported revenue of RM153.9 million and a net profit of RM16.8 million, compared to RM160.7 million and RM19.4 million respectively in FY2023. This performance reflects the impact of a temporary operational setback at Manjung 4 Power Plan where Lumut Maritime Terminal Sdn Bhd (“LMTSB”) operates, as well as reduced contribution from the hospitality and tourism segment.

Nonetheless, this result underscores our operational resilience and ability to maintain profitability amidst volatility. Our financial fundamentals remain intact, supported by prudent cost management and efficient capital utilisation.

## STRATEGIC PROGRESS : BUILDING WITH PURPOSE

A cornerstone of our strategy this year was the launch of the Silver Valley Technology Park (“SVTP”), an industrial development project jointly undertaken with Perbadanan Kemajuan Negeri Perak (“PKNPK”) and a strategic partner. This transformative initiative spans 798.32 acres in Kanthan, Chemor, Perak and carries a gross development value of RM1.03 billion. More than a development project, SVTP represents our commitment to positioning Perak as a hub for high-value industries, expected to attract up to RM14 billion in investments and generate over 13,000 job opportunities.

Additionally, the launch of LMT 2 marked another landmark achievement. This RM282 million infrastructure project, to be developed in three phases, will increase Lumut Port’s cargo handling capacity and elevate it to one of the region’s most efficient bulk cargo terminals. With its strategic positioning and integration into the Lumut Maritime Industrial City (“LUMIC”), LMT 2 will create high-skilled jobs and catalyse new economic clusters across Perak’s coastal corridor.

## REINFORCING HOSPITALITY EXCELLENCE

The Casuarina brand continues to be a source of pride and consistent performance for the Group. In 2024, Hotel Casuarina @ Meru was honoured with the Excellence in Business Event Hotel Award, while Hotel Casuarina @ Kuala Kangsar received the Best Cityscape Destination Award at the prestigious Perak Tourism Awards. These accolades reflect the dedication and passion of our hospitality teams in upholding the highest service standards and delivering memorable guest experiences.

## UPHOLDING GOVERNANCE AND INTEGRITY



We recognise that sustainable success is built on a foundation of trust and accountability. In December 2024, Perak Corp reaffirmed its commitment to ethical conduct and corporate governance through the Corporate Integrity Pledge Ceremony, held in collaboration with the Malaysian Anti-Corruption Commission. The event brought together the Board of Directors (“the Board”), senior management, and employees, all united in their dedication to transparency and integrity, in line with the Organisational Anti-Corruption Plan (“OACP”) 2022–2024.

## MOVING FORWARD WITH UNITY AND PURPOSE

As we move towards the submission of our Proposed Regularisation Plan, we are entering a new phase - one (1) full of responsibility and opportunity. This plan represents a pivotal turning point for the Group, where we not only address our current challenges but also lay the groundwork for a robust and sustainable future. With this renewed focus, we are determined to drive tangible progress that will positively impact all stakeholders, ensuring long-term growth and value creation.

In the coming months, we will focus on the implementation of key development projects, including those in Bandar Meru Raya, while expanding our footprint in the state’s strategic economic zones. Alongside these initiatives, we will continue to pursue strategic collaborations that align with our long-term goals.

## APPRECIATION

I would like to take this opportunity to express my heartfelt appreciation to my fellow members of the Board for their strategic oversight, stewardship, and support throughout the year. I am equally grateful to the management team and all employees across the Group who have shown commitment, resilience, and professionalism during a period of immense change.

To our shareholders - your trust and continued support have brought us to this cusp of a critical new chapter. As we finalise the submission of our Proposed Regularisation Plan, we stand committed to seeing this transformation through with discipline and resolve. The road ahead demands focus and resilience, but we are confident that, together, we will overcome the challenges and seize the opportunities that lie before us.

Thank you.

**Datuk Redza Rafiq bin Abdul Razak**

Chairman

30 April 2025



# MANAGEMENT DISCUSSION AND ANALYSIS

## OVERVIEW

Perak Corp, a diversified public listed company operating primarily in the state of Perak, continued to pursue its core business pillars of ports and logistics, property development, hospitality and tourism, and management services.

In 2024, the Group prioritised strengthening the performance of its core businesses by improving operational efficiencies, enhancing cost management initiatives, and refining its business strategies to better align with market opportunities. These efforts were undertaken with the objective of sustaining profitability and supporting long-term growth.

## FINANCIAL REVIEW

In FY2024, the Group recorded revenue of RM153.9 million, a slight decline of 4.2% from RM160.7 million achieved in the previous financial year ended 31 December 2023 ("FY2023"). The marginal decrease in revenue was mainly due to a temporary disruption in Manjung 4 power plant, operated by LMTSB, which affected throughput volume during the financial year.

Profit before tax declined to RM27.7 million from RM32.1 million in the previous year. The decrease was largely consistent with the lower revenue base and the absence of non-core asset sales that had previously boosted earnings.

The Group posted a net profit of RM16.8 million for FY2024, as compared to RM19.4 million in FY2023. Profit attributable to equity holders of the Company remained stable at RM2.8 million, closely matching the RM2.9 million achieved in the previous year, reflecting the Group's resilience in sustaining shareholder value amidst operational challenges.

Despite the decline in earnings, the Group's balance sheet strengthened, with total assets rising to RM590.9 million (FY2023: RM540.2 million) and shareholders' equity increasing to RM269.0 million (FY2023: RM257.2 million). Net assets per share rose to 2.69 sen compared to 2.57 sen in FY2023, reflecting the Group's ongoing asset enhancement and debt rationalisation efforts.

Financial year ended 31 December		2024	2023
Revenue	RM'000	153,884	160,651
Profit before tax	RM'000	27,660	32,053
Net profit	RM'000	16,792	19,389
Profit attributable to equity holders of the Company	RM'000	2,786	2,859
Total Assets	RM'000	590,859	540,184
Shareholders' equity	RM'000	268,971	257,179
Owners' equity	RM'000	97,853	95,067
Net assets per share	RM	2.69	2.57

## SEGMENTAL PERFORMANCE REVIEW

The Group is principally involved in the following business activities:

- a) Ports and logistics;
- b) Property development;
- c) Hospitality and tourism; and
- d) Management services.

	Revenue		Profit/(Loss) before Tax	
RM'000	2024	2023	2024	2023
Ports and logistics	129,605	136,627	38,797	44,504
Property development	-	-	(4,077)	(2,200)
Hospitality and tourism	22,307	22,180	(2,060)	2,047
Management Services	1,972	1,844	(5,000)	(12,298)
Total	153,884	160,651	27,660	32,053

### Ports and Logistics

Strategically located off the Straits of Malacca, on the west coast of Peninsular Malaysia, in Perak, Lumut Maritime Terminal (known as “Lumut Port”) was established as a state port and a catalyst for economic growth, development, and industrialisation of the State and the nation in general. The Group manages Lumut Port through its subsidiary, LMTSB, with the vision to be the most efficient bulk cargo terminal operator in South East Asia.

LMTSB provides an integrated port service, inclusive of tuggage, pilotage, berthing, stevedorage, cargo handling, storage and ancillary services. LMTSB is also the operator and manager of Lekir Bulk Terminal, a dedicated terminal to handle coal for Janakuasa Sultan Azlan Shah in Sri Manjung, Perak.

Since the implementation of LMTSB's strategic business plan in 2016, LMTSB has begun to record a steady tonnage increase in cargo handling, except in 2020, mainly due to the COVID-19 pandemic.

The ports and logistics segment remained the cornerstone of the Group, contributing 84% of total revenue in FY2024. However, revenue declined slightly to RM129.6 million (FY2023: RM136.6 million), primarily due to lower cargo throughput as a result of the force outage at the Manjung 4 Power Plant.

Profit before tax for this segment declined to RM38.8 million (FY2023: RM44.5 million), mainly due to reduced revenue, increased insurance premiums and staff-related costs, as well as higher maintenance expenses for ageing equipment, and costs associated with upgrading the ERP system, including cloud storage and e-invoicing. Additionally, professional fees for legal services and asset valuation further impacted profitability. The Group continues to mitigate cost pressures through process automation and optimisation at Lumut Port.

## Property Development

The segment continued to record no revenue in FY2024, as it had only recently entered into joint venture and development agreements. Furthermore, certain transactions are pending approvals under the Proposed Regularisation Plan. The segment's loss widened to RM4.1 million (FY2023: RM2.2 million), mainly due to project planning expenses and losses from a subsidiary deemed acquired for a brief period.

Despite the financial performance, the Group continued to position this segment for future recovery and profitability through key land rationalisation initiatives and strategic collaborations. Post FY2024, ongoing development at SVTP and other sites is expected to unlock value in the coming years.

## Hospitality and Tourism

The Group operates several hotels and resorts in Perak, which is known for its natural beauty, historical sites, and cultural attractions. Perak Corp's home-grown Casuarina brand carries Perak's unique and graceful hospitality. Taking its name from the Casuarina tree, characterised by size, strength and boldness, the chain of Casuarina hotels places the Group on strong footing in the hotel industry.

The hospitality and tourism segment operates multiple hotels and resorts across Perak, capitalising on the state's natural beauty, historical landmarks, and cultural richness. Leveraging the Group's home-grown Casuarina brand, known for embodying Perak's distinct and gracious hospitality, this segment has established a solid presence in the hotel industry.

Named after the iconic Casuarina tree, symbolising strength, size, and boldness, the Casuarina hotels under the Group's portfolio epitomize excellence and offer a unique guest experience.

The Group's hospitality offerings include prominent properties such as Hotel Casuarina @ Meru in Ipoh, Hotel Casuarina @ Kuala Kangsar in Kuala Kangsar, Hotel Casuarina @ Pangkor in Pulau Pangkor, and Casuarina Houseboat @ Temenggor 1 in Tasik Temenggor, Gerik, Perak. These properties offer diverse accommodation options tailored to meet the needs of both business and leisure travelers, showcasing the segment's versatility and appeal.

Revenue from the hospitality and tourism segment remained relatively stable at RM22.3 million (FY2023: RM22.2 million). However, the segment reported a loss before tax of RM2.1 million, compared to a profit before tax of RM2.0 million in FY2023. The decline in profitability was mainly attributable to higher emoluments, reflecting a strategic investment in key personnel and strengthened management capabilities. Additionally, the prior year's performance benefited from non-recurring other income, including a waiver of interest costs on advances from the ultimate holding corporation and a gain on disposal of a leasehold land held for development.

## Management Services

The Management Services segment, which primarily derives income from rentals, recorded a slight increase in revenue to RM2.0 million (FY2023: RM1.8 million). The segment's loss before tax reduced significantly to RM5.0 million from RM12.3 million in the previous year. The improved performance was mainly due to the absence of penalty and impairment losses on receivables, which had adversely affected the prior year's results.

## FUTURE PROSPECTS

The Group remains committed to enhancing its overall financial performance through focused strategies across its key segments.

### Ports and Logistics Segment

The Ports and Logistics segment is poised to remain a vital revenue driver for the Group. Aligned with its Business Strategic Plan for 2016-2026, the focus will continue on expanding port capacity, improving operational efficiency, and focusing on business development initiatives. On 4 March 2024, the groundbreaking ceremony for LMT 2 was held to kickstart the expansion of LMT. This development, expected to unfold in three phases, will position Lumut Port as one of the region's leading bulk cargo terminals. Additionally, the integration of LMT 2 into the Lumut Maritime Industrial City will not only generate high-skilled jobs but will also catalyse the creation of new economic clusters along Perak's coastal corridor, further strengthening the Group's strategic position.



### Property Development Segment

The Property Development segment is well-positioned for future growth, having established a solid foundation through strategic partnerships and agreements. Despite reporting no revenue in FY2024, the segment has made significant strides in joint developments projects, and asset optimisation, which are expected to contribute to future revenue streams. Key projects, such as the SVTP Industrial Hub, demonstrate the Group's commitment to elevating Perak as a hub for high-value industries. The SVTP, a joint initiative with PKNPk and a strategic partner, spans 798.32 acres and has a gross development value of RM1.03 billion.



Moving forward, Perak Corp Group plans to expand its business in accordance with its strategic growth initiatives. One of its immediate initiatives involves developing new projects through Private Financing Initiative (“PFI”) on a 50-acres Land in Bandar Meru Raya, Perak into a mixed development project. The collaboration with strategic partner reflects Perak Corp’s commitment to unlocking the value of landbank as well as providing the Group an additional stream of revenue upon commencement of the development of the land.

## Hospitality and Tourism Segment

The Casuarina brand continues to deliver consistent performance and uphold the Group’s reputation for excellence. In 2024, Hotel Casuarina @ Meru was honoured with the Excellence in Business Event Hotel Award, while Hotel Casuarina @ Kuala Kangsar received the Best Cityscape Destination Award at the Perak Tourism Awards. Looking ahead, the segment is focused on driving improved financial performance through a series of targeted initiatives. These include enhancing occupancy rates via tailored marketing strategies, refining service offerings to elevate guest experiences, and expanding partnerships to boost event bookings. Additionally, the segment is dedicated to expanding the Casuarina brand, with an emphasis on operational efficiency, such as optimising staffing costs, enhancing energy efficiency, and exploring innovative revenue streams like local tourism packages and corporate retreats. These strategic efforts will help fortify our competitive position in the hospitality industry and drive profitability.



## Management Services Segment

The Management Services segment exhibits stability in revenue from rental income. Moving forward, the segment aims to optimise its rental income streams, enhance operational efficiencies, and explore opportunities for revenue diversification.

## FROM CHALLENGE TO OPPORTUNITY : STEERING TOWARDS REGULARISATION

On 18 February 2025, the Company made a requisite announcement to undertake the Proposed Regularisation Plan to regularise its financial condition in accordance with Paragraph 8.04(3) of the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities"). This self-rescued initiative is designed to strengthen the Group's cash flow and reposition the Group on firmer financial footing through a combination of capital reduction, strategic joint ventures, and land rationalisation exercises.

The Proposed Regularisation Plan comprises the following:

- i. Proposed reduction of the issued share capital of Perak Corp pursuant to Section 116 of the Companies Act, 2016 ("Proposed Share Capital Reduction");
- ii. Proposed joint venture between PKNPk, a major shareholder of the Company, and Perak Corp to jointly carry out the development of the SVTP industrial hub, sale of industrial plots and other product offerings to end purchasers and end users on thirty-nine pieces of PKNPk's leasehold lands measuring 746.73 acres ("Proposed Joint Development");
- iii. Proposed disposal of four parcels of leasehold lands, all located at Mukim Hulu Bernam Timor, Daerah Muallim, Negeri Perak comprising the following:
  - iv. 73.14 acres of land held under PN394964, Lot 20570 and PN394965, Lot 20571 ("Parcel 1 Lands") to Makmur Impian Property Sdn Bhd ("MIP") for a total cash consideration of RM21.13 million ("Proposed Disposal of Parcel 1 Lands");
  - v. 247.85 acres of land held under PN394961, Lot 20402 ("Parcel 2 Land") to Tg Malim Hi-tech Park Sdn Bhd (formerly known as ARX-YSC Sdn Bhd) ("TMHTP") for a total cash consideration of RM49.50 million ("Proposed Disposal of Parcel 2 Land"); and
  - vi. 103.71 acres of land held under PN394962, Lot 20403 ("Parcel 3 Land") to TMHTP for a total cash consideration of RM18.94 million ("Proposed Disposal of Parcel 3 Land");
- vii. Proposed disposal of three pieces of lands located at Wilayah Batu Undan, Mukim of Lumut, District of Manjung ("Hinterland") to LMTSB for a total cash consideration of RM8.53 million ("Proposed Disposal of Hinterland"); and
- viii. Proposed settlement of the company's entitlement pursuant to the joint venture agreement entered into with PKNPk and Uni-poh Construction Works Sdn Bhd ("Unipoh") for a parcel of state land located at Mukim Hulu Kinta, Daerah Kinta, Negeri Perak ("Zone 1 Bandar Beru Raya") for a total cash consideration of RM40.38 million ("Proposed Settlement");

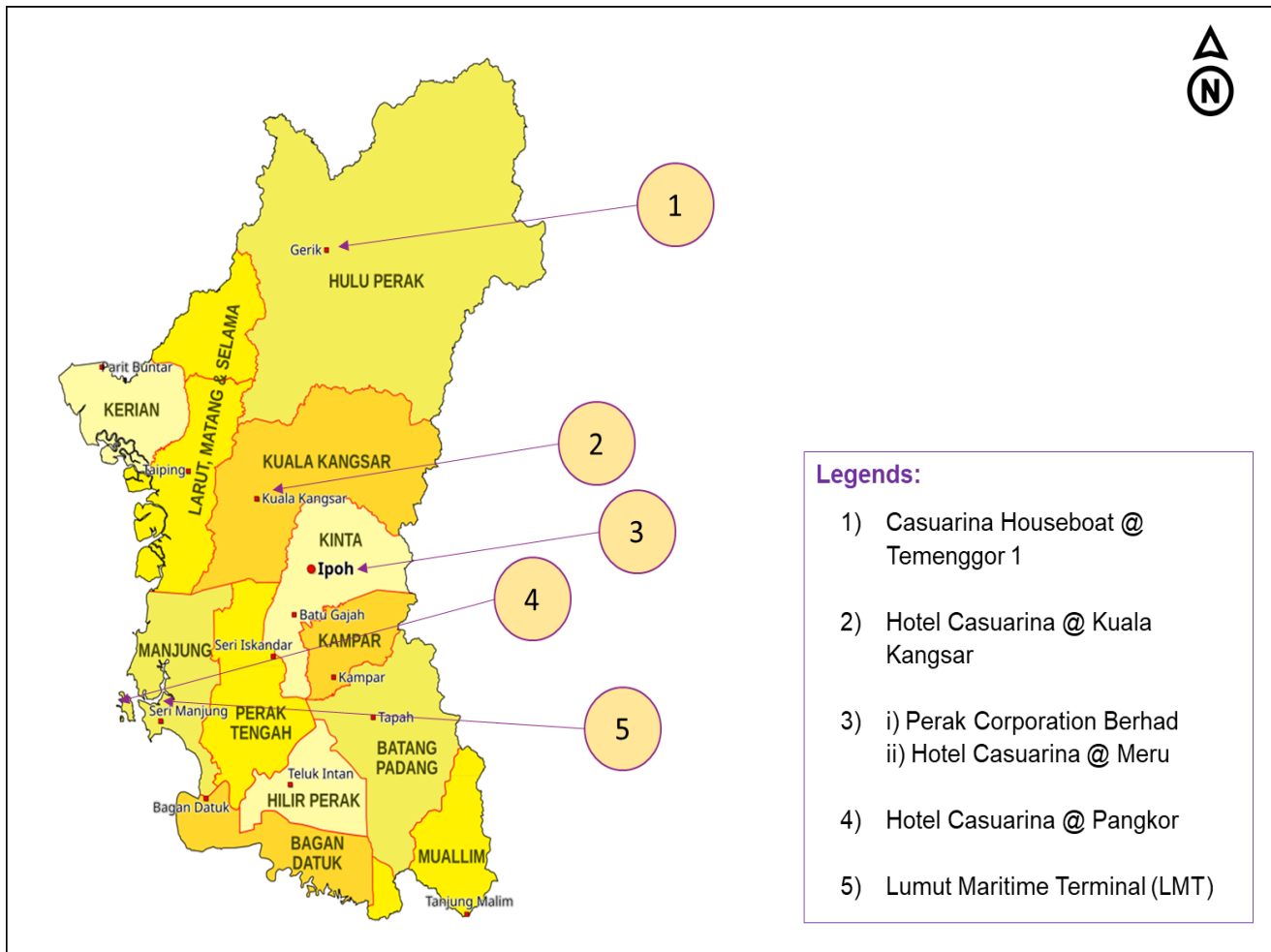
- ix. Proposed issuance of redeemable preference shares series B ("RPS-B") for the settlement of the outstanding liabilities and debt obligations owing to scheme creditors amounting to RM39.73 million pursuant to the scheme of arrangement under Section 366 and other provisions of the Companies Act, 2016 between Perak Corp, PCB Development Sdn Bhd and its scheme creditors ("Proposed Issuance of RPS-B");
- x. Proposed amendments to the constitution of Perak Corp to facilitate the Proposed Issuance of RPS-B ("Proposed Amendments I"); and
- xi. Proposed amendments to the constitution of Perak Corp to facilitate the revisions of the redemption date of RPS-A1 and RPS-A2, revisions of the cumulative compounded gross preferential dividend rate of RPS-A2 as well as the substitution of the security documents provided under the supplemental agreement dated 11 September 2023 to the debt settlement agreement entered into between Perak Corp and CIMB Bank Berhad ("CIMB") dated 8 November 2021 to secure the issuance of 20,900,309 redeemable preference shares to CIMB ("Proposed Amendments II").

The Company is in the final stages of preparation and is progressing towards the submission of the Proposed Regularisation Plan to the relevant authorities.

Upon successful implementation, the Proposed Regularisation Plan is expected to substantially improve the Group's financial performance and condition, paving the way for the eventual upliftment of Perak Corp's PN17 status. This marks a critical milestone in our journey towards rebuilding strength, restoring confidence, and unlocking long-term value for all stakeholders.

# SUSTAINABILITY STATEMENT

## AREAS OF OPERATION



Perak Corp listed on the main board of Bursa Securities, is a subsidiary of PKNPk and was established in 1991 with paid-up capital of RM 100 million.



The charm of Hotel Casuarina @ Pangkor, built on stilts above the lively ocean waves, is enhanced by its reputation for serving exquisite 'Kari Kepala Ikan' and a variety of fresh seafood.



The Casuarina Houseboat @ Temenggong 1 invites guests to experience the ancient and pristine Belum Forest, a rainforest that has existed for 130 million years, providing a comfortable encounter with nature.



Hotel Casuarina @ Meru is premier choice for lifestyle and staycation experience in Perak, catering to both business and leisure travellers. Conveniently located in the of Perak's lively capital city, it provides easy access to all attractions the city has to offer.



Located in the royal town, Hotel Casuarina @ Kuala Kangsar features a distinctive colonial design and an infinity pool overlooking the majestic Sungai Perak, providing a picturesque experience that reflects local culture.



Lumut Maritime Terminal (LMT) a bulk cargo port is designed and equipped to handle a wide range of cargo, from dry bulk to liquid bulk, break bulk to project cargoes.



## ABOUT THIS REPORT

**This sustainability report covers our performance on Environment, Social, and Governance (“ESG”) topics from 1 January 2024 to 31 December 2024. Historical data will be presented where available.**

### Scope of Reporting

This report outlines the deliverables for FY2024 for the Group.

It focuses on our sustainability efforts within the framework of ESG. The report explains the significance of ESG to our business and its impact on our stakeholders. Additionally, it will detail the actions taken to address sustainability issues that have a significant effect on our business and stakeholders.

### Point of Contact

We welcome and value your feedback pertaining to this Sustainability Statement. Please get in touch with our Sustainability Department at:



#### **Sustainability Department Perak Corporation Berhad**

No.1-A, Block B, Menara PKNP,  
Jalan Meru Casuarina,  
Bandar Meru Raya, 30020 Ipoh,  
Perak Darul Ridzuan, Malaysia.



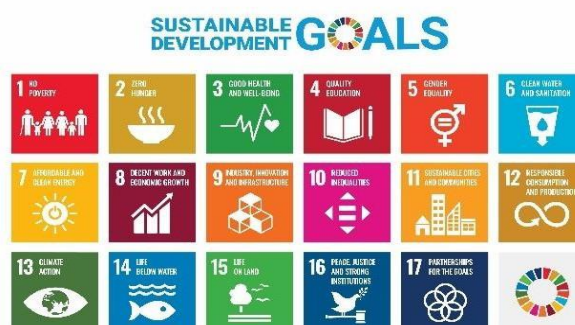
+605-5019 2982



[sustainability@perakcorp.com.my](mailto:sustainability@perakcorp.com.my)

## Reporting Frameworks and Standards

This report has been prepared in adherence to the Listing Requirements of Bursa Securities, with guidance from their Sustainability Reporting Guide (3rd Edition), the Taskforce on Climate-related Financial Disclosures (“TCFD”), and United Nations Sustainable Development Goals (“UNSDG”).



# APPROACH TO SUSTAINABILITY

## Sustainability Governance

Recognising the importance of long-term shareholder value creation, the Group is committed to implementing corporate governance that safeguards the interests of all stakeholders.

This role is spearheaded by the Board, which provides both strategic and operational leadership to the Group. Specialised committees at the Board level, such as the Audit Committee, Tender Committee, Investment Committee, Nomination & Remuneration Committee, and Risk Management Committee, play a crucial role in maintaining high governance standards across essential functions.

This structure allows the Board to ensure the integration of ESG matters embedded into the Company's business strategies, action plans, and best practices.

The initiative is supported at the management level by several key committees and workgroups, including:

- a) **Group Investment Committee:** Responsible for evaluating, reviewing, and recommending the viability of potential projects, investments, and joint ventures;
- b) **Talent Council:** A dedicated workgroup focused on attracting, nurturing, and retaining top talent; and
- c) **Management Meeting:** Ensures cross-functional alignment, driving strategic and impactful outcomes across the organization.

These three workgroups aim to promote long-term growth by fostering a strong culture, clear strategy, shared values, and effective governance within the Group.

Our comprehensive governance framework reflects our unwavering commitment to ethical behaviour and legal compliance, while also emphasising the importance we place on all stakeholders. This approach is essential for securing our long-term sustainability.

## Adoption of Sustainability in Perak Corp

The Group aims to facilitate the adoption of practices that promote economic stability, social betterment, and environmental stewardship. Some of the focus areas include:

- a) Implementing sustainable business strategies and practices;
- b) Cultivating a reputation and corporate image aligned with a holistic approach in business decisions, ensuring performance that balances environmental and financial sustainability;
- c) Overseeing the implementation of the policy by the management and regularly reviewing sustainability performance; and
- d) Reporting on sustainability performance and achievements.

**The Board's responsibilities include:**

Reviewing Perak Corp Group's sustainability principles and policies, along with environmental conservation efforts and ecosystem protection

Reviewing priority goals and monitoring implementation

Reviewing reports submitted by management on sustainability and environmental performance

Ensuring compliance with relevant legislation and the Group policies

Supervising Corporate Social Responsibility ("CSR") matters

## Stakeholder Engagement

The Group recognises the importance of its Stakeholders in playing a crucial role in various aspects of a business.

Timely engagements allow the Group to gather feedback from various stakeholders on their concerns, expectations, and needs. The result of these interactions paints an insight into the constantly changing needs of our stakeholders thus influencing the strategic decision-making process within the Group.

Technological advancements offer new avenues such as social media and virtual meeting platforms that enable more effective and interactive interaction with the Stakeholders.

Key Stakeholders	Engagement Platform	Area of Interest or Concerns	Our Response
<b>Shareholders, Financiers and Investors</b>	Company website, quarterly financial announcement, annual report, AGM, and press releases.	Financial performance, business strategies, future plans, and corporate governance practices.	Provide transparent and detailed financial reports, adhere to best corporate governance practices, and engage in open and constructive dialogue with shareholders to address concerns and gather feedback.
<b>Government Agencies and Regulatory Authorities</b>	On-site inspections, correspondences, compliance audits, and participation in government and regulatory events.	Regulatory compliance	Uphold strict legal and regulatory compliance, ensure transparent reporting and adherence to industry standards, and actively engage with regulatory authorities for concerns and guidance.
<b>Customers</b>	Customer feedback surveys, social media channels, customer service interactions, and periodic meetings.	Product quality, pricing, customer service experience, ethical business practices	Focus on delivering high-quality products through stringent standards and controls, offering competitive pricing, providing exceptional customer service, adhering to ethical practices, and promptly addressing customer feedback.
<b>Employees</b>	Employee town halls, feedback surveys, internal communications channels	Compensation and benefits, career development opportunities, workplace safety and well-being	Offer competitive compensation and benefits packages, provide training and development programs, prioritise employee health and safety, establish open channels for feedback and communication, and foster a positive and inclusive work culture.



Key Stakeholders	Engagement Platform	Area of Interest or Concerns	Our Response
<b>Community and Society</b>	Community outreach programs, CSR initiatives, and social media.	Environmental impact, community development, social responsibility	Prioritise environmental sustainability, support community development projects, engage in CSR aligned with societal needs, contribute to charitable causes, and collaborate with local stakeholders for mutual benefit.
<b>Suppliers/ Contractors</b>	Vendor meetings, contract negotiations, regular business review.	Timely payments, fair contract terms, quality of goods or services, sustainability practices	Engage in transparent and equitable contract negotiations, prioritise the procurement of high-quality goods and services, drive sustainable efforts within the supply chain, and ensure clear feedback and communication pathways.

## Material Matters

It is important for the Group to identify material sustainability topics that can significantly impact the value creation for our stakeholders. Based on the internal assessment, the material topics selected, and their definitions are as follows:



### Anti-Corruption

Ensure the governance of business operations aims to eliminate corruption and bribery



### Diversity

Promote diversity at the workplace through various dimensions such as age and gender



### Health & Safety

Ensuring safe and healthy environment at the workplace



### Supply Chain Management

Focus on ensuring environmentally, socially, and ethically responsible management of the supply chain



### Water

Encourage water efficiency and sustainable consumption practices within the business



### Community/Society

Foster CSR and engagement with the local community



### Energy Management

Promote the efficient use of energy and the integration of renewable energy sources into business operations



### Labour Practices & Standards

Ensure fair treatment and respectful working conditions in line with the upholding of human rights



### Data Privacy & Security

Ensure the protection privacy under the Personal Data Protection Act ("PDPA") and Non-Disclosure Agreement ("NDA")

## Risk and Opportunities

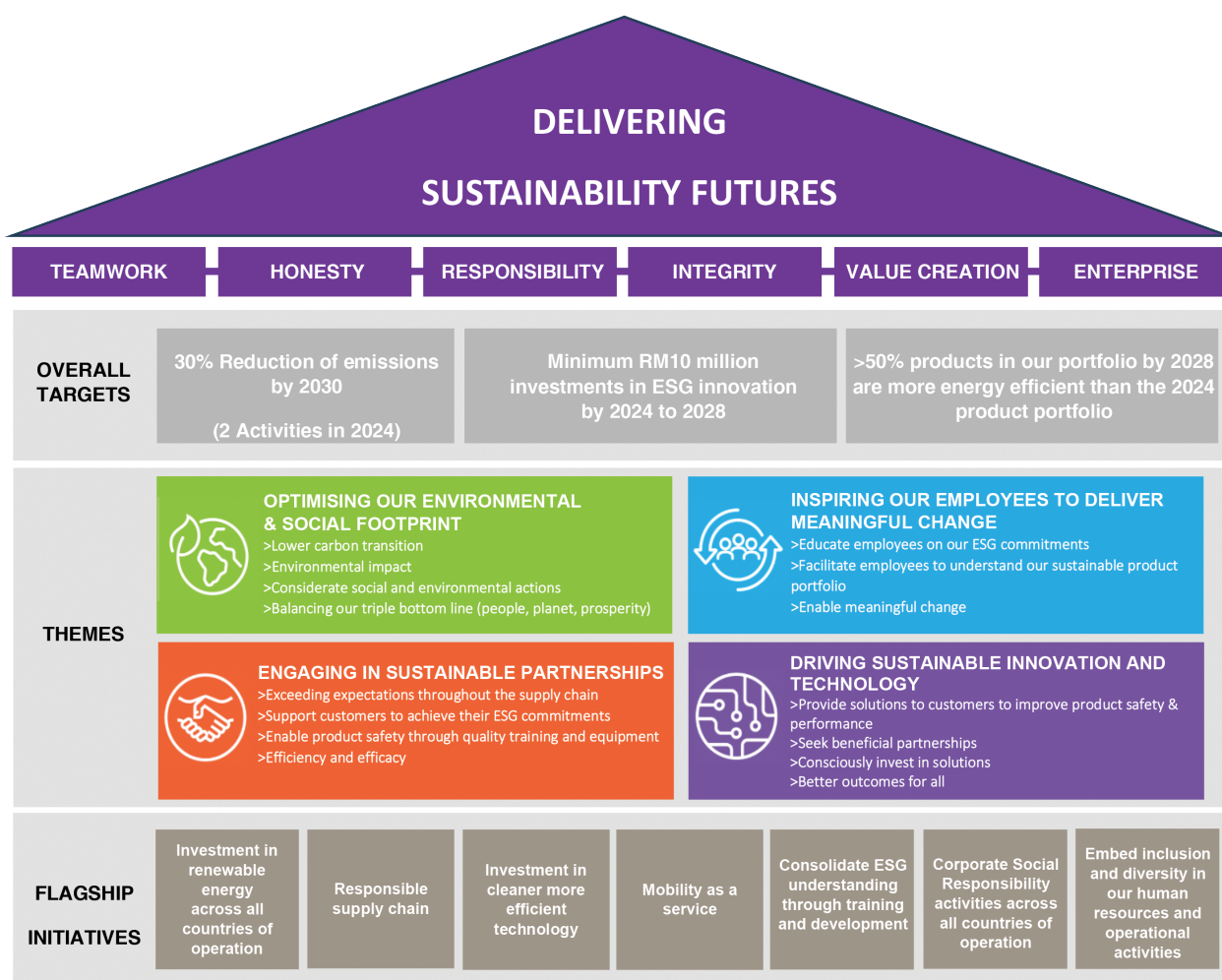
Material Matters	Risk	Opportunities
Anti-Corruption	<ul style="list-style-type: none"> <li>Unethical practices such as bribery and corruption pose a risk of legal consequences, financial losses, and damage to the Group's reputation.</li> </ul>	<ul style="list-style-type: none"> <li>Enhancing corporate governance frameworks with stronger anti-corruption policies, ethical training programs, and third-party audits.</li> <li>Promote good governance practices that contribute towards growth and management stability.</li> <li>Continuous integrity-strengthening programmes aim to further embed and improve ethical practices within the workplace.</li> </ul>
Community & Society	<ul style="list-style-type: none"> <li>Negative perceptions within the community arise from bad incidents related to business operations and lack of public awareness.</li> <li>Non-compliance with operational protocols causes adverse community impacts like displacement, unhealthy environment, human rights encroachment, and jeopardises brand image.</li> </ul>	<ul style="list-style-type: none"> <li>Consistent engagement through community impact programmes to strengthen the Group's relationship with local communities.</li> <li>Adherence to the principle of non-maleficence in business conduct to foster a sustainable approach to operations.</li> </ul>
Diversity	<ul style="list-style-type: none"> <li>Losing competitive edge in attracting new business due to perceived market segment preference.</li> <li>Inculcation of decreased innovation, productivity, and non-inclusive practices due to the limited diversity within the Group.</li> <li>Challenge in attracting potential talents and retaining existing talents.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of diversity policy and inclusive practices throughout the Group's businesses.</li> <li>Promotion of brand image and business standards that reflect the diversity of the Group's stakeholders.</li> </ul>

Material Matters	Risk	Opportunities
Energy Management	<ul style="list-style-type: none"> <li>• Change in regulation and stricter enforcement due to a greater push for energy management standards leading to higher costs for immediate compliance.</li> <li>• Increased energy demand for cooling purposes exacerbated by the increase in surrounding temperature.</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of energy-efficient measures and energy-conscious culture building within the Group.</li> <li>• Adoption of renewable energy through direct and indirect sources. (e.g. solar panels vs REC/CGPP)</li> </ul>
Health & Safety	<ul style="list-style-type: none"> <li>• Non-adherence to workplace health and safety regulations may result in potential injuries, accidents, and fatalities which can lead to financial penalties, legal actions, and sanctions imposed by regulatory bodies.</li> <li>• Heightened health risks due to climate change such as heat-related illness, disease outbreaks, and respiratory issues impacting productivity and absenteeism.</li> </ul>	<ul style="list-style-type: none"> <li>• Championing a physically and psychologically safe working environment by advocating a strong safety compliance culture and awareness.</li> <li>• Implement continuous efforts to regularly enhance safety-related equipment and policies to ensure a safe workplace and working environment.</li> </ul>
Labour Practice & Standard	<ul style="list-style-type: none"> <li>• Non-compliance with labour practices &amp; standards leading to low job satisfaction, high turnover, and decreased productivity.</li> <li>• Minimal investment in employee training and development can lead to skill gaps, reduced productivity, and loss of competitive edge over industry peers.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct periodical gathering of employee feedback through platforms such as town halls, surveys, and company activities throughout the year.</li> <li>• Invest in training and development programs to enhance employees' skills and knowledge support human capital development, ensure they meet industry standards, and help them adapt to evolving labour practices.</li> <li>• Compliance with the Employment Act 1955 and the Group's Code of Conduct to ensure fair treatment for all employees.</li> </ul>



Material Matters	Risk	Opportunities
Supply Chain Management	<ul style="list-style-type: none"> <li>• Disruptions in the supply chain due to extreme weather events and the use of unsustainable raw materials.</li> <li>• Unstructured supply chain problem where reliance on intermediaries/third parties increases costs and reduces direct control over procurement.</li> <li>• Demographic limitations in rural areas can restrict supplier choices, potentially leading to higher price, and cash flow challenges due to fluctuating supply costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure all parties in the supply chain comply with the ESG best practices.</li> <li>• Enhanced engagement with suppliers/contractors aims to explore opportunities for reduced delivery lead times, local economic support, and faster disruption recovery.</li> </ul>
Data Privacy & Security	<ul style="list-style-type: none"> <li>• Data breaches leading to regulatory fines, loss of customer trust, and potential legal actions.</li> <li>• Cyberattacks including phishing and hacking of company data and stakeholder information.</li> <li>• Absence of system backup and recovery system and server might lead to system downtime.</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of advanced data/files protection or any cybersecurity measures to safeguard the employee and stakeholder information such as annual IT audits and a Disaster Recovery Plan ("DRP").</li> <li>• Migration of human resources system from server-based to cloud-based system improves data security, providing enhanced encryption and protection measures.</li> <li>• Implementation of a comprehensive Privacy Policy embedded in hotels' website demonstrates a commitment to data protection, enhances customer trust, and ensures compliance with regulations like Malaysia's PDPA.</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Water scarcity from drought or water rationing impacting on-site development and business operations across the Group.</li> <li>• Potential water contamination resulting from accidents and non-compliance of operating procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of effective water stewardship measures such as the utilisation of rainwater harvesting and recycling for day-to-day operations. (Landscaping, road cleaning, etc.)</li> <li>• Promotion of water-saving features such as adopting water-efficient products throughout the Group's area of operation.</li> </ul>

## Sustainability Framework



The Perak Corp Sustainability Strategy Roadmap sets the direction for all sustainability-related efforts within the core of the Group's business practices.

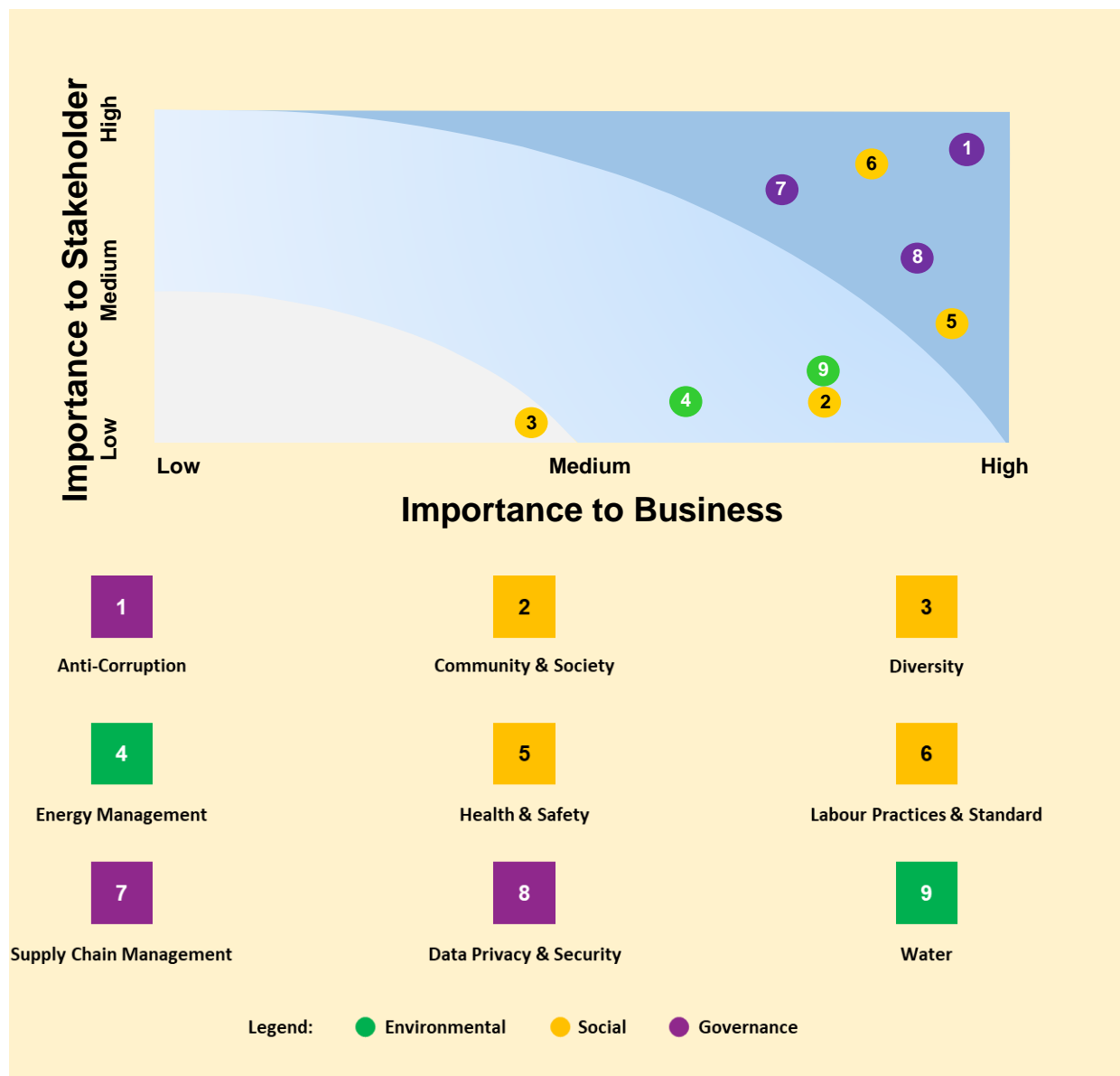
This framework reflects the key sustainability themes that can significantly influence our business operations, the environment, and local communities. The key focus areas are Environmental & Social Footprint, Employee Management, Sustainable Partnership, and Innovation and Technology.

The presence of corporate sustainability practices deeply embedded into our business processes is crucial for long-term resilience and prosperity. It ensures that the Group thrives and acts as a catalyst for positive change in the industry, benefiting all stakeholders.

The Group targeted two (2) emission reduction activities in FY2024 but were only able to initiate one (1) activity which is the replacement of lighting features in Hotel Casuarina @ Meru to energy efficient LEDs which will aims to reduce energy consumption.

## Materiality Matrix

The Group has engaged with its stakeholders through survey to find out the importance of sustainability material matters for them, and the resulting outcome of the survey is presented in the materiality matrix below:



For FY2024, the Group has successfully improved its data collection, management, and assurance, leading to better data reporting. However, this has caused some data sets for material matters such as Energy Management, Labour Practices and Standard, and Water to show a significant gap between FY2023 and FY2024.

To ensure accurate reporting, the Group is in the process of identifying and verifying the data set for FY2023 and will be reflected in future reporting.

The Group's approach towards each material matters are disclosed in the following pages of the report.

# MANAGEMENT APPROACH TO SUSTAINABILITY

## Anti-Corruption

### Related UNSDG



### Why is This Important?

Perak Corp remains committed in upholding the highest standards of ethics and integrity in all our operations and interactions to safeguard the Group's reputation, financial stability, and stakeholder trust.

Having a strong anti-corruption practice prevents financial misconduct, legal penalties, and unethical decision-making thus fostering long-term business sustainability.

### Our Approach

The Integrity and Governance Unit ("IGU") is responsible for overseeing all matters related to anti-corruption, integrity, and governance, ensuring that these elements are integrated under a dedicated unit. This structure enables the implementation of plans, modules, programmes, and strategies in a focused and organised manner, facilitating the institutionalisation of integrity, enforcement of preventive measures, compliance monitoring, and the detection of misconduct in an efficient and effective way.

In FY2023, the Group introduced the Organisational Anti-Corruption Plan ("OACP") 2022–2024, a structured framework for identifying, assessing, and mitigating corruption risks across the Group's operations.

Key business segments including property development, hospitality and tourism, ports and logistics, and management services have been assessed for corruption risk, focusing on enhancing efficiency and compliance with standard operating procedures to strengthen accountability, reinforce good governance, and promote administrative transparency.

As part of the OACP, the Group embarked on the implementation of several targeted anti-corruption programmes to reinforce and strengthen ethical awareness and regulatory compliance within the Group since its inception. Among them was the anti-corruption training that was tailored to operational needs, ensuring representation across all employee categories.

The Group's effort has successfully lowered its risk profile from a high-risk entity to a medium-risk entity based on the assessment letter received in December 2023 from the Malaysian Anti-Corruption Commission ("MACC").

Moving forward, the Group will continue to refine its training strategies to enhance overall participation by introducing structured learning schedules and diversified delivery methods. These efforts aim to foster a strong culture of integrity and compliance at all levels of the organisation.

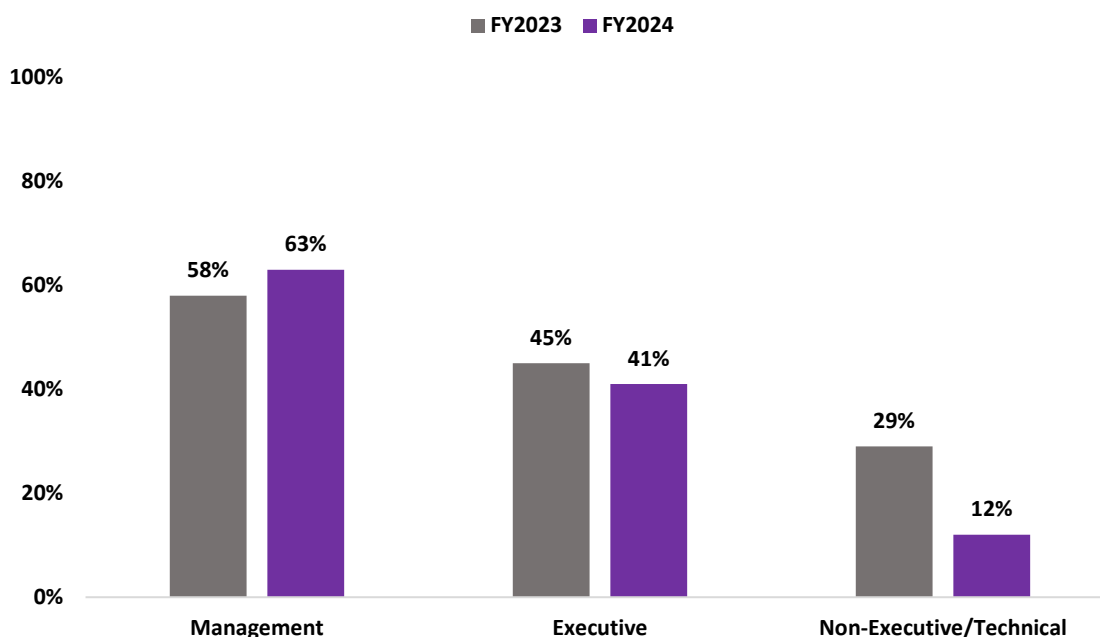
Six (6) out of seven (7) operational areas were assessed in FY2024 for corruption-related risks, representing 86% coverage. An assessment was done and it was identified that the Management Services segment posed minimal corruption risk exposure, given that its revenue is primarily derived from rental income with limited corruption risk factors, thus is excluded from corruption-related risks assessment. The assessment process remains risk-based, prioritising operations with greater exposure to corruption risk.

As at the end of the reporting period, there were no confirmed incidents of corruption reported within the Group. This reflects the effectiveness of the Group's preventive measures, internal controls, and compliance frameworks in mitigating corruption risks.

Moving forward to 2025, the Group will implement a new OACP for 2025–2027, alongside the Corruption Risk Management ("CRM") framework, to further strengthen risk identification, mitigation strategies, and governance controls. These initiatives aim to enhance the Group's anti-corruption measures, ensuring a proactive and systematic approach to corruption risk management.

## Our Performance

- Percentage of employees who received training on anti-corruption by employee category:



- Percentage of operations assessed for anti-corruption risks:

	FY2023	FY2024
Total number of operations.	7	7
Total number of operations assessed for corruption-related risks. *	6	6
Percentage of operations assessed for corruption-related risks.	86%	86%

- Confirmed incidents of corruption and action taken:

There were no confirmed incidents of corruption reported within the Group as of the end of the reporting period. This reflects the effectiveness of the Group's preventive measures, internal controls, and compliance frameworks in mitigating corruption risks.



## Community/Society

### Related UNSDG



### Why is This Important?

Businesses do not operate in isolation; they depend on the support and well-being of local communities. By engaging in community development initiatives, Perak Corp can create a positive social impact, strengthen relationships with stakeholders, and enhance corporate reputation. Some of the targeted areas of impact through the Group's initiatives include education, healthcare, and local economies.

### Our Approach

Perak Corp is dedicated to driving sustainable community development across Perak, supporting various social, environmental, and economic initiatives. In alignment with our broader sustainability goals, the Group has actively engaged the community through various CSR efforts in FY2024.

At the corporate level, Perak Corp has contributed towards community initiatives through five (5) programmes aimed at supporting local development. These programmes focus on enhancing educational opportunities and fostering community well-being. One of them is the Blood Donation Program in collaboration with Pusat Darah Ipoh.

Several initiatives were also implemented at the subsidiary level towards various local communities where we operate. LMTSB has funded 206 programmes while the Hospitality and Tourism segment has carried out a total of six (6) community programmes, reflecting the segment's dedication to sustainable and community-driven hospitality. These programmes are poised to create long-term positive impacts that benefit both the surrounding community and their economic well-being.

One of the most notable initiatives, Program Sanjung, underscores the Perak state government's commitment to honouring the elderly. Launched as part of the Perak Sejahtera 2030 Programme, this initiative is a collaboration between PKNPk, Hotel Casuarina @ Meru, and the Perak Women's Secretariat, with the dual objective of making Perak an elderly-friendly tourism destination and stimulating local economic growth in the hospitality sector.

In alignment with Program Sanjung, Hotel Casuarina @ Meru also has undertaken several enhancements to improve accessibility and comfort for senior citizens and differently abled individuals. These include designated parking spaces for families and persons with disabilities ("PWD"), ramp facilities, panic buttons in guest rooms, and special toilets in the hotel lobby.

Beyond Program Sanjung, the Hospitality and Tourism segment had organised an Iftar Programme with tahfiz students to create a meaningful platform for community bonding during Ramadan, fostering unity and goodwill. Concurrently, a Bubur Lambuk distribution programme was also organised via Hotel Casuarina @ Meru and Hotel Casuarina @ Kuala Kangsar, ensuring that traditional Ramadan delicacies reached various members of the community.

FY2024 also saw the inception of the Kongsi Rezeki Programme, a CSR initiative involving the distribution of packed meals to the homeless community in Ipoh, ensuring that vulnerable groups received essential nourishment and support.

Moving forward, we will continue to identify opportunities for impactful community investments and strengthen our partnerships with key stakeholders. Our goal remains clear: to drive inclusive growth, enhance the quality of life for local communities, and build a sustainable future for generations to come.

## Our Performance

Total amount invested in the community where the target beneficiaries are external to the listed issuer in FY2024:

**RM 1,420,525**

Total number of CSR programmes in FY2024:

**217 programmes**

## FY2024 CSR Snapshots



Iftar Programme with PPDK Nur Hikmah



SMK Tasik Damai Graduation Programme



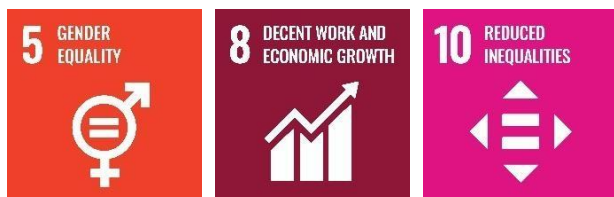
Program Sanjung @ Perak Sejahtera 2030



Masjid Gerik Van Sponsorship

## Diversity

### Related UNSDG



### Why is This Important?

Having a diverse and inclusive workforce brings varied perspectives, skills, and ideas, leading to better decision-making and innovation. Ensuring equal opportunities strengthens employer branding, improves employee satisfaction, and enhances productivity.

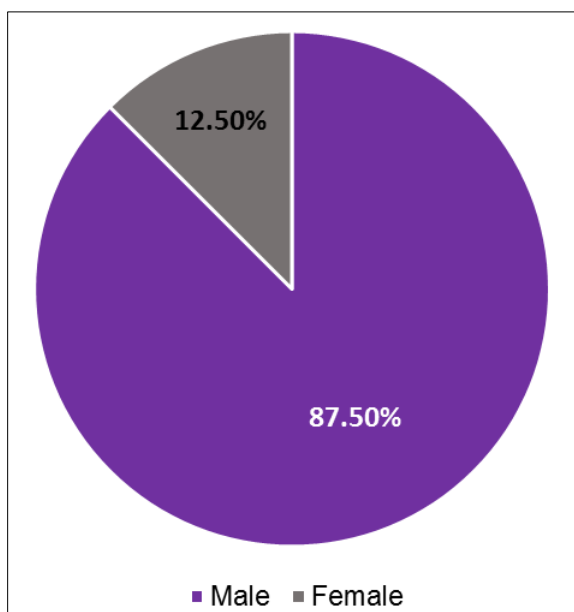
### Our Approach

Diversity and inclusion play a significant role in fostering a balanced and progressive workplace. At Perak Corp, workforce diversity is evident through various aspects including but not limited to age distribution and gender representation.

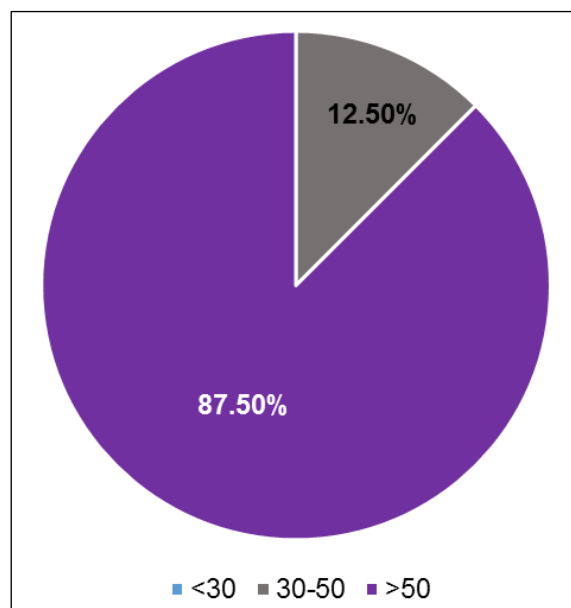
Committed to upholding equal opportunities, the Group supports diversity in all aspects of employment, development, and career progression, regardless of sex, age, religion, ethnicity, or any other relevant characteristic. We are dedicated to eliminating discrimination in recruitment and employment practices, ensuring fair opportunities and rewards for all. By fostering employee engagement, the Group indirectly enhances its sustainability performance, as motivated employees contribute to positive social impacts, ultimately strengthening our overall sustainability profile.

### Our Performance

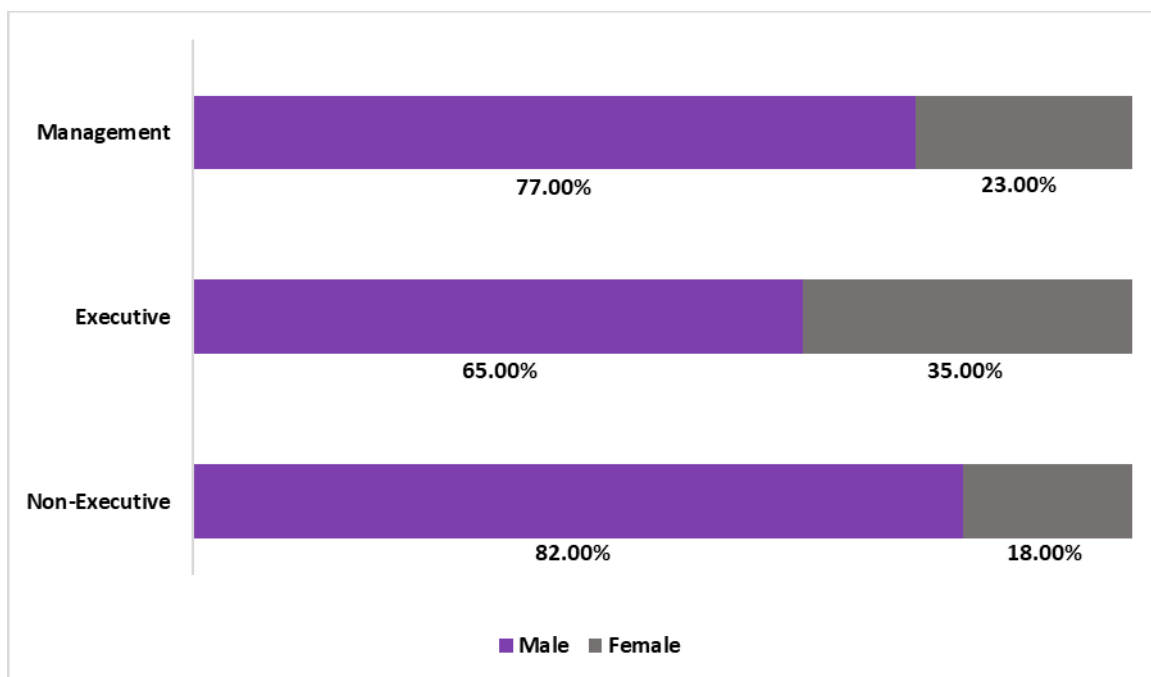
- Gender of Board of Directors:



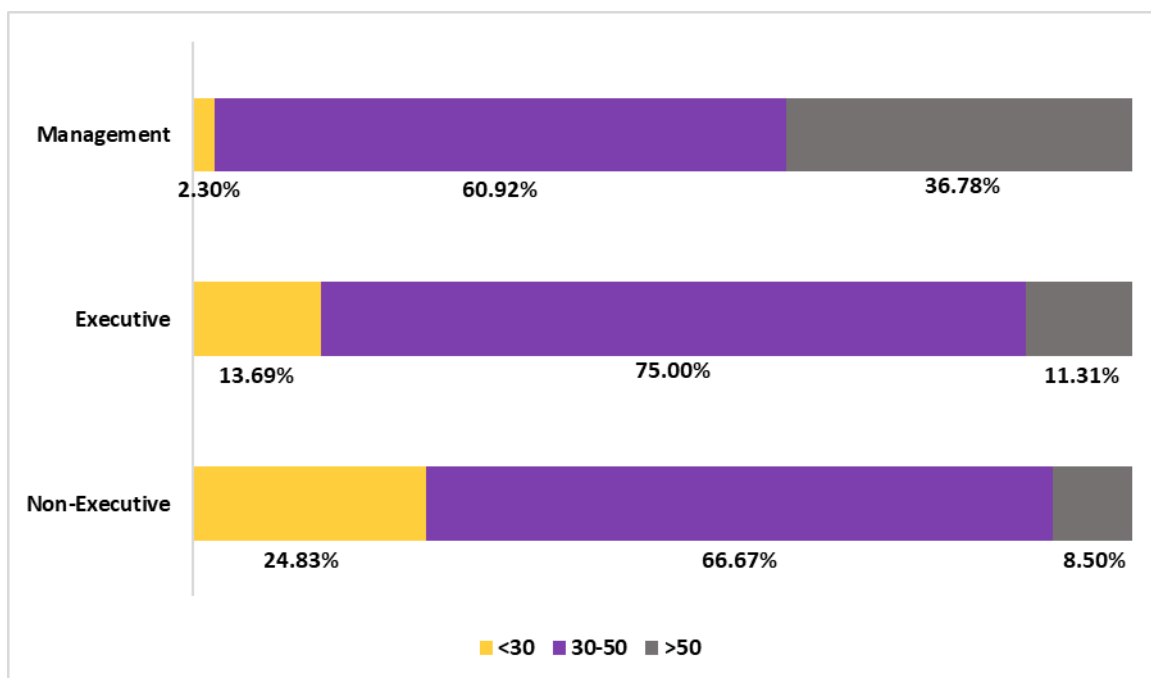
- Age group of Board of Directors:



- Percentage of employees by gender for each employee category:

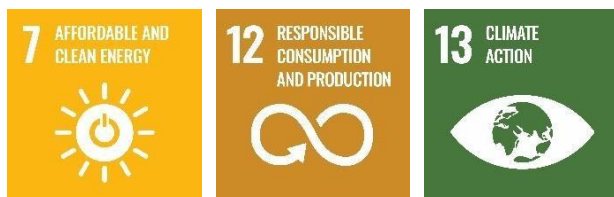


- Percentage of employee by age group for each employee category:



## Energy Management

### Related UNSDG



### Why is This Important?

The Group understands the impact of high energy consumption on the environment, especially when it comes to indirect carbon emissions. The Group is dedicated to mitigating the environmental impact of its business operations through actions like efficient energy use and renewable energy sourcing.

### Our Approach

For many years, the Group has consistently integrated environmental considerations into our decision-making processes, ensuring sustainable economic growth while protecting the environment.

We prioritise energy conservation by implementing energy-efficient practices across our operations, ensuring a sustainable environment for the future like how our hotels and offices has started to utilise energy-efficient lighting and equipment. Besides that, we also actively encourage employees to reduce paper consumption and to limit printing only for essential documents to minimise environmental impact and in support of our digital transformation.

Moving forward to FY2025, the Group is looking forward to exploring more ways to further enhance its energy management efforts.

### Our Performance

#### Energy Consumption (MWh/Year)



	FY2023	FY2024
Total energy consumption (MWh)	1,387.79	5,743.77

\* The significant increase in collected data in FY2024 is due to improvements in data collection efforts, resulting in higher data record compared to the previous year.



### Related UNSDG



### Why is This Important?

A safe and healthy workplace is fundamental to business continuity and employee well-being. Accidents, injuries, and occupational illnesses can result in legal liabilities, productivity loss, and reputational damage. By prioritising Occupational Health and Safety (“OHS”) practices, the Group can reduce workplace incidents, enhance employee morale, and maintain compliance with legal and industry standards, leading to improved performance and retention.

### Our Approach

The Group prioritises OSH excellence. We are committed to providing a safe and healthy workplace for all employees and stakeholders, integrating OSH as a fundamental requirement in our daily operations. The Group achieves this by adhering to all applicable legal standards and best practices, proactively preventing work-related injuries and illnesses through the Safety and Health Committee (“SHC”) and Emergency Response Team (“ERT”) that has been established since 2023.

A culture of safety, fostered by our established OSH policy, has resulted in zero work-related employee fatalities. This safe environment builds employee’s trust and confidence, leading to improved morale and productivity. We proactively ensure safety compliance through consistent internal briefings and awareness campaigns for employees and contractors, reinforcing our commitment to safety practices and procedures.

One of the initiatives within the Group is the advancement in Health, Safety, Security, and Environment (“HSE”), Management System of LMTSB into a fully digital and paperless platform in line with the spirit of digital transformation. This includes the implementation of an E-Permit to Work (“E-PTW”) System, a comprehensive Hazard Management System, and an Action Tracking and Recording Register (“ATARR”) - all designed to improve efficiency, streamline processes, and reinforce our commitment to workplace safety.

The Group also strives to ensure its employees remain healthy through various collaborative initiatives. Some of the programmes are the collaboration with Social Security Organisation (“SOCSO”) where we provide free health screenings to employees aged 40 to 59, and the collaboration with the National Cancer Society of Malaysia to provide Human Papillomavirus (“HPV”) vaccinations and promote cancer awareness and prevention.

Through these initiatives, we cultivate an inclusive, supportive, and health-conscious workplace where every employee feels valued and empowered. By emphasising health and safety, we have also significantly empowered our employees to exceed regulatory requirements and effectively manage emergencies.

## Our Performance

	FY2023	FY2024
Number of work-related fatalities	1	0
Lost time incident rate	0.48	3.09
Number of employees trained in Health and Safety standards	2	340



**Fire Safety Awareness Training  
Collaboration with Bandar Meru Raya Fire and Rescue Station**



**Health, Safety, and Environment (HSE) Month Campaign Collaboration with Seri Manjung Fire & Rescue Station**

### Related UNSDG



### Why is This Important?

Engaging in ethical labour practices reflects our commitment to human rights, employee well-being, and corporate responsibility. For Perak Corp, this means fair wages, decent working conditions, and career development opportunities.

Through ethical labour practices, the Group will be able to foster employee satisfaction, loyalty, and productivity thus generating positive business growth.

### Our Approach

Perak Corp is committed to reducing year-on-year employee turnover rate by implementing policies that enhance job satisfaction, improve work conditions, and foster a more engaged workforce. By taking proactive measures, the company aims to build a committed workforce and ensure long-term success.

The Group actively enforces policies to prevent discrimination, harassment, and unfair labour practices. The Group recorded zero substantiated complaints concerning human rights violations in FY2024, demonstrating its commitment to ethical practices and social responsibility.

Besides protecting the employees from unfair labour practices through policies, the Group also invested in providing tailored training in leadership, technical competencies, and regulatory compliance in our effort to empower our employees by enhancing their strategic thinking, communication, and decision-making abilities. Through tailored training in leadership, technical competencies, and regulatory compliance, we empowered our employees by enhancing their strategic thinking, communication, and decision-making abilities.

This practice enables them to meet high industry standards, deliver consistent exceptional service, and enhance professionalism.

Looking ahead, we will continue to provide opportunities and resources that equip our employees to not only tackle today's challenges but also seize tomorrow's opportunities.



## Our Performance

- Total hours of training by employee category:

Employee Category	FY2023	FY2024*
Management	168 hours	1,580 hours
Executive	424 hours	4,384 hours
Non-Executive	56 hours	3,326 hours

\* The significant increase in collected data in FY2024 is due to improvements in data collection efforts, resulting in higher data record compared to the previous year.



LHDN E-Invoicing Training



High Impact & Effective Communication



Awareness on Scheduled Waste Training



- Percentage of employees that are contractors or temporary staff:

FY2023	FY2024
22.06%	8.39%

- Total number of employee turnover by employee category:

Employee Category	FY2023	FY2024
Management	6	14
Executive	8	23
Non-Executive	2	35

- Number of substantiated complaints concerning human rights:

FY2023	FY2024
0	0

## Supply Chain Management

### Related UNSDG



### Why is This Important?

An organisation's sustainability is closely linked to the ethical and environmental performance of its supply chain. Deficiencies in supply chain practices, such as unsustainable sourcing and lack of transparency, may lead to financial risks, reputational damage, and operational disruptions.

Therefore, it is crucial for the Group to adopt and practice responsible, transparent, and sustainable supply chain management for long-term business resilience.

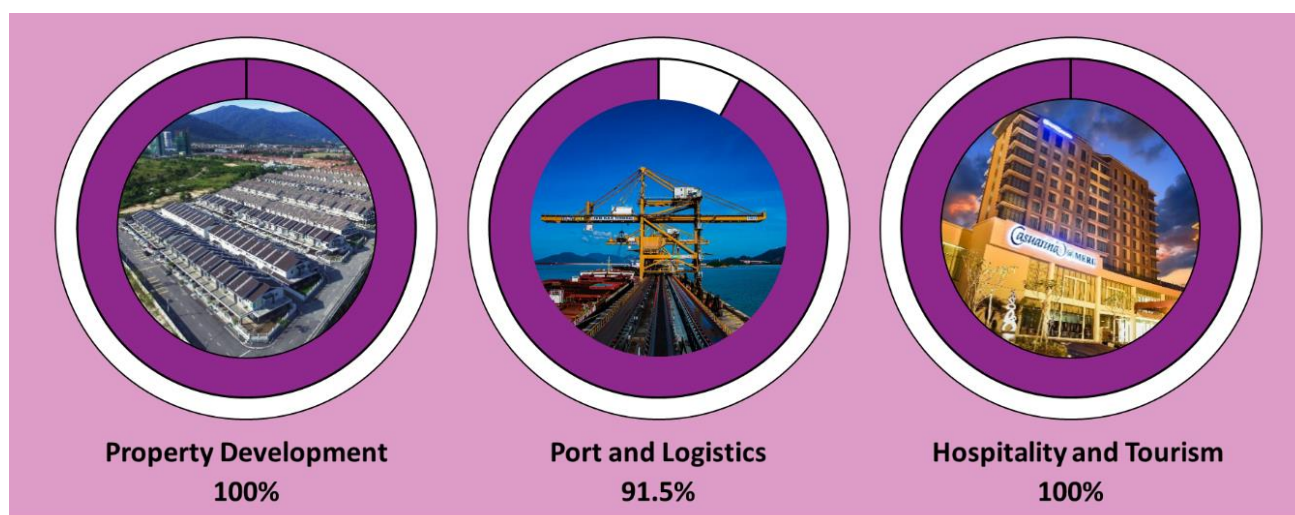
### Our Approach

We believe in building collaborative relationships with contractors and suppliers, based on shared values and open communication. By prioritising partners who align with our ethics and growth objectives, we ensure quality, innovation, and long-term mutual benefit.

Strict adherence to all relevant laws and regulations, coupled with a commitment to minimising environmental and social impact, is essential for our suppliers and contractors to meet our ethical standards such as prohibiting the use of undocumented workers or any illegal employment practices.

### Our Performance

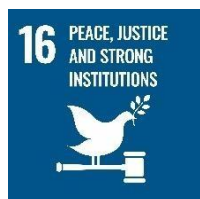
#### Percentage of Spending on Local Suppliers (Suppliers based in Malaysia)



	FY2023	FY2024
Proportion of spending on local suppliers	100%	98.30%



### Related UNSDG



### Why is This Important?

With the rise of digital technology, companies handle large volumes of sensitive data, including employee, customer, and financial information. A data breach or cyberattack can lead to financial losses, regulatory fines, and reputational damage.

Implementing strong data protection measures, which ensures compliance with laws such as the PDPA 2010, helps to build customer trust and safeguards the Group's business continuity.

### Our Approach

In an era where cyber threats are constantly evolving in scale and sophistication, the Group recognises the critical importance of maintaining a strong and adaptive cybersecurity framework. Cybersecurity is not just regulatory compliance, but an essential foundation for trust, resilience, and sustained success in our interconnected environment.

To safeguard personal, financial, and confidential information, the Group adheres to the highest security standards and aligns our practices with all applicable laws and the industry's best practices. The Group understands that cybersecurity is not a one-time initiative but an ongoing process requiring vigilance, innovation, and collaboration. Therefore, we continuously invest in security technologies, conduct regular risk assessments, and implement comprehensive employee training programs to strengthen our defense mechanisms against emerging cyber threats.

We maintain transparency by reporting on cybersecurity practices, incidents, and response mechanisms, reinforcing our dedication to data protection and the interests of our shareholders, customers, employees, and partners.

Beyond compliance and risk management, we view data privacy and security as a key driver of trust and sustainable growth. By prioritising data protection and digital security as integral components of our corporate sustainability agenda, we aim to contribute to a safer digital ecosystem.

As the digital landscape continues to evolve, we remain committed to strengthening our cybersecurity infrastructure, enhancing resilience against cyber threats, and upholding the highest standards of data privacy. By taking a proactive and strategic approach, we strive to create a secure, reliable, and trustworthy digital environment that supports our long-term vision and the broader goal of a safer digital future for all.

### Our Performance

	FY2023	FY2024
Number of substantiated complaints concerning human rights violation	0	0

As of FY2024, Perak Corp and its group entities have not received any complaints related to human rights violations. This underscores the Group's strong commitment to upholding data privacy and confidentiality across all corporate operations and business activities.

## Water

### Related UNSDG



### Why is This Important?

Water is a critical resource for many industries, and its scarcity or mismanagement can disrupt business operations.

Sustainable water management helps reduce costs, eliminate inefficiencies, and minimise environmental impact. Implementing efficient water usage and water treatment not only safeguards natural resources but also enhances brand reputation and investor confidence, ensuring long-term operational resilience.

### Our Approach

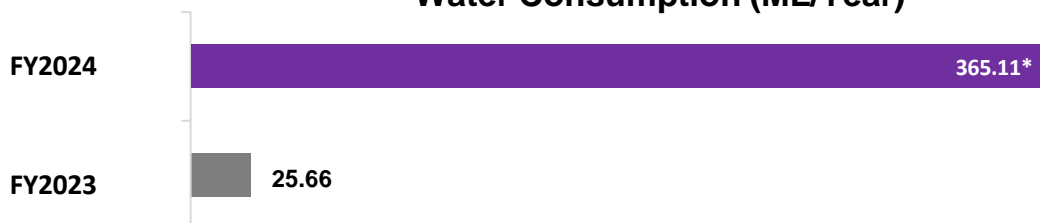
The Group aims to improve water efficiency and promote water conservation, recognising that a consistent water supply is necessary for efficient business operation. This is especially important for the Group, as our businesses of Property Development and Hospitality & Tourism are water-intensive, and our Port & Logistics business directly operates around water bodies.

The Group is committed to protecting water sources by avoiding pollution during its operations. To further this commitment, a rainwater harvesting initiative has been established at Hotel Casuarina @ Meru.

This initiative is paramount in reducing the Company's reliance on municipal water supply. The rainwater harvesting captures, diverts, and stores rainwater from rooftops for landscape irrigation, which leads to cost savings in water bills. The Group reduces water wastage through regular checking and maintenance.

### Our Performance

#### Water Consumption (ML/Year)



	FY2023	FY2024
Total water consumption (ML)	25.66	365.11

\* The significant increase in collected data in FY2024 is due to improvements in data collection efforts, resulting in higher data record compared to the previous year.

Indicator	Measurement Unit	2022	2023	2024
<b>Bursa (Anti-corruption)</b>				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	57.00	58.00	63.00
Executive	Percentage	41.00	45.00	41.00
Non-executive/Technical Staff	Percentage	18.00	29.00	12.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	86.00	86.00	86.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
<b>Bursa (Community/Society)</b>				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	472.00	1,032,660.00	1,420,525.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	1	119	217
<b>Bursa (Diversity)</b>				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	-	0.00	2.30
Management Between 30-50	Percentage	-	80.00	60.92
Management Above 50	Percentage	-	20.00	36.78
Executive Under 30	Percentage	-	19.64	13.69
Executive Between 30-50	Percentage	-	78.57	75.00
Executive Above 50	Percentage	-	1.79	11.31
Non-executive/Technical Staff Under 30	Percentage	-	42.86	24.83
Non-executive/Technical Staff Between 30-50	Percentage	-	42.86	66.67
Non-executive/Technical Staff Above 50	Percentage	-	14.29	8.50
Gender Group by Employee Category				
Management Male	Percentage	-	60.00	77.00
Management Female	Percentage	-	40.00	23.00
Executive Male	Percentage	-	46.43	65.00
Executive Female	Percentage	-	53.57	35.00
Non-executive/Technical Staff Male	Percentage	-	50.00	82.00
Non-executive/Technical Staff Female	Percentage	-	50.00	18.00
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	-	87.50	87.50
Female	Percentage	-	12.50	12.50
Under 30	Percentage	-	0.00	0.00
Between 30-50	Percentage	-	12.50	12.50
Above 50	Percentage	-	87.50	87.50
<b>Bursa (Energy management)</b>				
Bursa C4(a) Total energy consumption	Megawatt	-	1,387.79	5,743.77
<b>Bursa (Health and safety)</b>				
Bursa C5(a) Number of work-related fatalities	Number	-	1 *	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	-	0.48 *	3.09
Bursa C5(c) Number of employees trained on health and safety standards	Number	-	2	340
<b>Bursa (Labour practices and standards)</b>				

Internal assurance

External assurance

No assurance

(\*)Restated

Indicator	Measurement Unit	2022	2023	2024
Bursa C6(a) Total hours of training by employee category				
Management	Hours	-	168	1,580
Executive	Hours	-	424	4,384
Non-executive/Technical Staff	Hours	-	56	3,326
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	-	22.06	8.39
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	-	6	14
Executive	Number	-	8	23
Non-executive/Technical Staff	Number	-	2	35
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	-	0	0
<b>Bursa (Supply chain management)</b>				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00	100.00	98.30
<b>Bursa (Data privacy and security)</b>				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	-	0	0
<b>Bursa (Water)</b>				
Bursa C9(a) Total volume of water used	Megalitres	-	25.666000	365.110000
<b>Bursa (Waste management)</b>				
Bursa C10(a) Total waste generated	Metric tonnes	-	-	No Data Provided
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	-	-	No Data Provided
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	-	-	No Data Provided
<b>Bursa (Emissions management)</b>				
Bursa C11(a) Scope 1 emissions in tonnes of CO2e	Metric tonnes	-	-	No Data Provided
Bursa C11(b) Scope 2 emissions in tonnes of CO2e	Metric tonnes	-	-	No Data Provided
Bursa C11(c) Scope 3 emissions in tonnes of CO2e (at least for the categories of business travel and employee commuting)	Metric tonnes	-	-	No Data Provided

## Statement of Assurance

The data collection for Waste Management and Emission Management had yet to start for FY2024. However, the Group have plans to commence the data collection which will be disclosed in future reports.

To uphold the accuracy, reliability, and integrity of the disclosures of common sustainability matters contained within this Sustainability Statement, the disclosed data for FY2024 have been subjected to an internal review process conducted by the Company's internal auditors, and were subsequently approved by the Board.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

Perak Corp fully supports the Malaysian Code on Corporate Governance (“MCCG”), which sets out the principles, intended outcomes and practices for good corporate governance that should apply towards achieving the optimal framework to protect and enhance sustainable shareholders’ value and the financial performance of the Group.

The Board is responsible for delivering shareholders value over the long term through the Group’s culture, strategy, values and governance. This statement provides an overview of the Company’s commitment to applying the three principles and the practices with reference to the principles set out in the MCCG, except where stated otherwise, during the financial year ended 31 December 2024 under the leadership of the Board.

The three (3) principles set out in the MCCG are as follows:

- a) Board Leadership and Effectiveness;
- b) Effective Audit and Risk Management; and
- c) Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This statement is prepared in compliance with the Listing Requirements of Bursa Securities. The extent of the application of each practice encapsulated in the principles of the MCCG is further presented in the Corporate Governance Report, which can be viewed on the Company’s website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

## PRINCIPLE A : BOARD LEADERSHIP AND EFFECTIVENESS

### Board Roles and Responsibilities

The Board retains full and effective control of the Company and plays an important role in defining the scope of corporate governance within the Group. This includes the responsibility for determining the Company’s overall strategic direction as well as the development and control of the Group’s businesses and operations. The Board ensures the integration of consideration of the economic, environmental, social, and governance matters embedded into the Company’s business strategies and action plans. No individual or group of individuals dominates the Board’s decision-making.

The functions reserved for the Board are clearly stated in the Board Charter, besides the discharge of the director’s fiduciary duties.

### Board Charter

The Company has formalised and adopted a Board Charter which clearly sets out the composition, roles and responsibilities of the Board and Board committees and the processes and procedures for convening their meetings. The Board Charter serves as a reference providing prospective and existing members of the Board and management insight into directors’ fiduciary duties.



The Board has reviewed and revised the Board Charter on 30 May 2024 to ensure it remains relevant and appropriate. The Board reviews the Board Charter on a regular basis to keep up to date with changes in the Listing Requirements, other regulations and best practices and ensure its effectiveness and relevance to Board's objectives and responsibilities.

The details of the Board Charter are available for reference on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

### **Code of Conduct**

The Board has formalised and adopted a Code of Conduct ("Code"), which is based on the principles in relation to integrity, sincerity, honesty, responsibility, social responsibility and accountability in order to enhance the standard of corporate governance and behaviour.

The Board is committed to creating a corporate culture within the Group to operate the businesses of the Group in an ethical and transparent manner and to uphold the highest standards of professionalism and exemplary corporate conduct.

The Code is to assist the directors and all personnel of the Group in defining the ethical standards and conduct at work and extent beyond normal working hours, which they should possess in discharging their duties and responsibilities.

The Board reviews the Code when deemed necessary to ensure it remains relevant and appropriate. The details of the Code are available for reference on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

### **Anti-Corruption and Bribery Policy**

The Board has formalised and adopted an Anti-Corruption and Bribery Policy which outlines the responsibilities of the directors, officers and employees of the Group to uphold all laws to combat corruption and bribery and the procedures on anti-corruption and anti-bribery measures.

Apart from the above, the Board had also established an Integrity and Governance Unit for the purpose of carrying out programmes, modules and strategy within the Group to promote integrity, honesty and accountability in the conduct of businesses and operations, as well as to enforce compliance and promote the detection of misconduct in an efficient and effective manner.

The Board reviews the Anti-Corruption and Bribery Policy as and when deemed necessary to ensure it remains relevant and appropriate, and in any event, at least once every three (3) years. The Anti-Corruption and Bribery Policy was last reviewed and revised on 24 August 2023.

The details of the Anti-Corruption and Bribery Policy are available for reference on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

## **Whistle Blowing Policy**

The Board has established and adopted a Whistle Blowing Policy to improve the overall organisational effectiveness and to uphold the integrity of the Group, which acts as a formal internal communication channel, where the staff may communicate in cases where the Group's business conduct is deemed to the contrary to the common values of the Group.

The Group is committed to maintaining the highest possible standards of integrity, openness and accountability in the conduct of its businesses and operations within the Group and aspires to conduct its affairs in an ethical, responsible and transparent manner. The policy is intended to provide and facilitate a mechanism for any persons to report concerns related to any suspected and/or known misconduct, wrongdoing, corruption, fraud, waste and/or abuse of which they become aware and to ensure that the reporting person can report an allegation of such malpractice or misconduct in an appropriate manner and without fear of retaliation.

All reports will be investigated promptly and dealt with fairly and equitably. Actions will be taken based on the nature of the allegation and may be resolved by agreed action.

The Board has reviewed and revised the Whistle Blowing Policy on 28 February 2024. The Board will review the Whistle Blowing Policy as and when deemed necessary to ensure it remains relevant and appropriate, and in any event, at least once every three (3) years.

The details of the Whistle Blowing Policy are available for reference on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

## **Directors' Fit and Proper Policy**

The Board has formalised and adopted a Directors' Fit and Proper Policy of the Company to ensure there are formal and transparent procedures for the appointment and re-election of directors of the Company and its subsidiaries. The Board is committed to ensure that each of its directors has the character, integrity, experience, competence and time to effectively discharge his or her role as a director in tandem with good corporate governance practices.

The Board reviews the Directors' Fit and Proper Policy as and when deemed necessary to ensure it remains relevant and appropriate, and in any event, at least once every three (3) years.

The details of the Directors' Fit and Proper Policy are available for reference on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

## **Board Composition**

During the FY2024 and as of the date of this statement, the Board has eight (8) members comprising one (1) non-executive non-independent director and seven (7) independent directors. More than half of the Board members are independent directors, as recommended under Practice 5.2 of the MCCG, for more effective oversight of management.

The profile of the Board members is set out on pages 10 to 17 of this Annual Report.

The Company considers that its complement of non-executive directors provides an effective Board with a mix of industry-specific knowledge and business and commercial experience. This balance enables the Board to provide clear and effective leadership to the Company and to bring informed and independent judgement to many aspects of the Group's strategy and performance so as to ensure that the Group maintains the highest standard of conduct and integrity.

In order to assist the Board in the discharge of its responsibilities, the Board has delegated certain specific responsibilities to its Board Committees, which operate within clearly defined terms of reference.

The Board Committees are the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, the Tender Committee and the Investment Committee.

The Board Committee meetings are conducted separately from the Board meeting to facilitate objective and independent discussions during the meetings. At the Board meeting, the respective chairman of the Board Committees reports to the Board on the matters discussed, considered and their recommendations thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

## Board Meetings

The Board schedules meetings on a quarterly basis, with additional meetings convened when urgent and important decisions need to be taken between scheduled meetings. The calendar for the Board and Board Committees meeting is circulated in advance at the end of the previous financial year to enable the directors to plan their schedule ahead for the new financial year.

During the FY2024, the Board held seven (7) meetings on 17 January, 28 February, 13 March, 30 May, 8 August, 29 August and 28 November 2024. All directors have complied with the minimum 50% attendance requirement in respect of Board meetings as stipulated by the Listing Requirements.

The details of meeting attendance of each individual director are as follows:

	<i>Meeting attendance in 2024</i>
Datuk Redza Rafiq bin Abdul Razak ( <i>Chairman</i> )	7/7
Dato' Seri Ir Mohamad Othman bin Zainal Azim	5/7
Datuk Seri Dr Hj Hasim bin Hasan	6/7
Andy Liew Hock Sim	7/7
Tan Chee Hau	7/7
Ahmad Yani bin Aminuddin	6/7
Faizul Hilmy bin Ahmad Zamri	6/7
Noor Azlin binti Zainal Abidin	7/7

At the scheduled meetings, the Board reviewed and deliberated on the operational and financial performance, corporate proposals, risk management, internal audit findings, internal control system and significant issues of the Company and the Group.

## **The Board Chairman**

Datuk Redza Rafiq bin Abdul Razak is the non-independent non-executive Chairman of the Board. The Chairman is responsible for the oversight, leadership, effectiveness, conduct and governance of the Board.

In keeping with the provisions of Practice 1.4 of the MCCG, the Chairman is not involved in any of the Board Committees to ensure that there is appropriate check and balance as well as objective review by the Board.

The majority of the Board members are independent directors since the Company recognises the contribution of independent directors as equal Board members in the development of the Group's strategy, the importance of representing the interest of public shareholders and providing a balanced and independent view to the Board. The independent directors are independent of management and free from any relationship that could interfere with their independent judgement.

## **Separation of Roles between the Chairman and the Group Chief Executive Officer**

Encik Rosmin bin Mohamed, the Group Chief Executive Officer ("GCEO"), leads the management team. There is a clear division of responsibility between the Chairman and the GCEO and between the independent Board members and the GCEO, together with his management team, to ensure a balance of power and authority.

The GCEO has the overall responsibility for the day-to-day management of the businesses and the implementation of the Board's policies and decisions. The GCEO is responsible for ensuring the due execution of strategic goals and effective operation within the Group and to explain, clarify and inform the Board on matters pertaining to the Group. The GCEO is supported by the management team with their respective scope of responsibilities. The management team's performance is assessed by the GCEO based on the key performance indexes.

## **Company Secretary**

The Board is supported by an experienced and competent Company Secretary who is qualified to act as company secretary under Section 235(2) of the Companies Act 2016. The Company Secretary reports directly to the Board and plays an advisory role to the Board and Board Committees, particularly regarding their policies and procedures and the Company's compliance with regulatory requirements, rules, guidelines and legislation, as well as the best practices of corporate governance.

All directors have access to the advice and services of the Company Secretary and are updated on the changes in the regulatory framework and corporate governance practices. The Company Secretary provides support to the Board in ensuring that the applicable rules and regulations are complied with, as well as that the governance structure of the Group remains relevant and effective.

The Company Secretary attends all meetings of the Board and Board Committees and ensures that meeting procedures are followed, and deliberations and proceedings at the meetings are accurately recorded and well-documented. The Company Secretary also ensures that all resolutions of the Board and Board Committees are properly drafted and maintained.

## Supply of Information

Each Board member receives quarterly interim financial reports, including comprehensive review and analysis. Prior to each Board and Board Committees' meeting, directors are sent an agenda of the meeting and a full set of meeting papers for each agenda item prepared and presented in a concise and comprehensive manner so that the directors have a proper and relevant depiction of the issues to be discussed at the meeting. This is issued in sufficient time to enable the directors to review and evaluate the meeting materials and to obtain further explanations, where necessary.

All directors have access to all information within the Group, whether as full board members or in their individual capacity, in furtherance of their duties. Directors also have direct access to the services of the Company Secretary who is responsible for ensuring the Board and Board Committee procedures are followed. Directors are entitled to obtain independent professional advice, where necessary, while discharging their duties at the Company's expense.

## Tenure of Independent Directors

In determining the independence of individual directors, the Board, through the Nomination and Remuneration Committee, conducts an assessment of the independent directors of the Company annually.

All the independent directors, based on the annual assessment conducted during the year, have declared their independence.

The Board noted that the provisions of Practice 5.3 of the MCCG recommend that the tenure of an independent director should not exceed a cumulative term of nine (9) years. The Board has not adopted a formal policy which limits the tenure of its independent directors to nine (9) years. The Board believes that the length of service of the independent directors on the Board does not interfere with their exercise of independent judgment and acts in the best interest of the Group, notably in discharging their roles. Nevertheless, the Board will undertake a further assessment of the independence of its independent directors should their tenure reach the cumulative term of nine (9) years.

All seven (7) independent directors' tenures have yet to exceed the cumulative term of nine (9) years as of the end of the FY2024.

## Board Diversity Policy

The Board recognises the importance of diversity in determining the optimum composition of the Board and amongst its workforce, including but not limited to gender, character and integrity; experience and competency; and time and commitment. The ultimate decision will be based on the competency, ability, leadership quality and qualification, particularly candidates with specialised knowledge that meet the Group's needs.

The Board considers that gender diversity contributes positively to the performance of the Board, which is vital to the sustainability of the Group's businesses. Currently, the Board comprised seven (7) male directors and one (1) female director. The Board recognises that the evolution of diversity is a long process and weighs the various factors relevant to board balance and diversity when vacancies arise. The Board will continue to work towards having more female members on the Board.



Overall, the Board is satisfied with the existing number and composition of the members and is of the view that the Board comprises a good mix of members with diverse experiences and backgrounds to provide a collective range of skills, expertise and experience which are relevant to support the growth and cope with the complexities of the Group's businesses.

The position of a number of senior management positions is held by women, namely the Group Financial Controller, Head, Human Capital Development and Head, Business Performance Management.

### **Sourcing and nomination of Board members**

The Board, through the Nomination and Remuneration Committee, continuously reviews the composition of the Board and sources for suitable directors considering the diversity in business background, area of expertise, skills, educational background, gender, and ethnicity, as well as other factors that may provide the Board with a broader range of viewpoints and perspectives.

The Nomination and Remuneration Committee is responsible for considering nominees for appointments to the Board and recommends to the Board for approval on the appointment, re-appointment, re-election and annual assessment of directors.

The Nomination and Remuneration Committee considers and recommends to the Board candidates of sufficient calibre, knowledge, integrity, reliability, professionalism and experience to fulfill the duties of a director. This Committee also considers the ability of the candidate to attend Board and Board Committees' meetings regularly and devote sufficient time and effort to carry out their duties and responsibilities effectively and be committed to serving on the Board for an extended period.

### **Re-election of Directors**

The Board, through the Nomination and Remuneration Committee, assesses the performance, fitness and propriety of those directors who are subject to re-election at the AGM of the Company and recommends to the Board for the decision to table the resolution on the re-election of the director concerned for shareholders' approval.

Based on the results of the fit and proper assessment, the Nomination and Remuneration Committee concluded that those directors who are due to retire at the forthcoming AGM had devoted their time, committed and contributed to the decision-making of the Board.

### **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises three (3) independent directors. The Nomination and Remuneration Committee is empowered to bring to the Board recommendations as to the appointment of any new executive or non-executive director upon evaluation of the candidate's ability to discharge the expected responsibilities as well as establishing a formal and transparent procedure for developing policy on the remuneration packages of the executive and non-executive directors of the Company and key senior management.

During the FY2024, the Nomination and Remuneration Committee held three (3) meetings on 27 February, 27 May and 26 November 2024.

The attendance of the members of the Nomination and Remuneration Committee is as follows:

	<i>Meeting attendance in 2024</i>
Ahmad Yani bin Aminuddin (Chairman)	3/3
Faizul Hilmy bin Ahmad Zamri	3/3
Datuk Seri Dr Hj Hasim bin Hasan	3/3

The activities carried out by the Nomination and Remuneration Committee during the FY2024, amongst others, included recommendations to the Board on the following matters:

- a) Reviewed and recommended the establishment of Directors and Senior Management's Remuneration Policy;
- b) Reviewed and recommended the directors' fees and benefits packages for the duration from the month following the AGM in 2024 up to the month of the next AGM in 2025;
- c) Assessed the eligibility and recommended the re-election of the retiring directors at the AGM of the Company;
- d) Assessed the directors' training needs to ensure all directors receive appropriate continuous training;
- e) Evaluated and assessed the performance of the Audit Committee as a whole and each of its members;
- f) Evaluated and assessed the individual directors, the Board as a whole and the independent directors;
- g) Assessed and recommended the appointment of directors and renewal of service contract of the executive director of the subsidiaries of the Company;
- h) Reviewed and recommended the revised employee handbook of the Company;
- i) Reviewed and recommended the allowance for the director of a subsidiary of the Company;
- j) Reviewed the selection of candidates for appointment of the Group Chief Financial Officer; and
- k) Assessed and recommended the renewal of service contract and remuneration package of the GCEO.

### **Board, Audit Committee and Individual Director Assessment**

The Nomination and Remuneration Committee conducts an annual assessment of each individual director and collectively as a Board under the evaluation process to ensure the effectiveness of the Board as a whole. The assessment of the directors is an examination of each director's ability to contribute to the effective decision-making of the Board. The assessment is carried out internally wherein at the end of the financial year, each director is distributed a Board Evaluation Form to conduct the self and peer assessment. Upon completion, the Board Evaluation Form is returned to the Company Secretary for compilation of the assessment results to be tabled at the next Committee meeting.

The areas covered by the annual assessment of the Board are:

- a) Attributes of each individual director, i.e., professionalism, industry knowledge, specific competencies, business acumen, strategic vision, integrity, attendance, active participation, teamwork and more;
- b) Board structure – whether the Board is composed of directors with an appropriate mix of skill and experience to meet the Company's requirements;
- c) Board operations and interactions in terms of the conduct of board meetings and board communication;
- d) Board roles and responsibilities – strategy planning, performance management, risk management and succession planning; and
- e) Board understanding and knowledge of sustainability issues and opportunities.

The Nomination and Remuneration Committee also conducts an annual review of the term of office and performance of the Audit Committee's members annually and assess whether the Audit Committee as a whole carried out their duties in accordance with its terms of reference.

The overall results of the evaluation process and the improvements recommended thereon were presented by the Chairman of the Nomination and Remuneration Committee to the Board in respect of the performance of the Audit Committee and its members and the Board as a whole.

Based on the results of the annual assessment, the Nomination and Remuneration Committee concluded that:

- a) The Audit Committee is competent and efficient in discharging and fulfilling their roles and responsibilities in accordance with its terms of reference;
- b) The Board structure is efficient, and the performance of the Board is generally good;
- c) The Board is composed of directors with the appropriate mix of skill and experience, has a sufficient level of involvement and deliberation of relevant issues and has put in place adequate risk management procedures; and
- d) The independent directors have satisfied the criteria of independence as defined in the Listing Requirements.

### **Directors' Training**

All directors are encouraged to continuously undertake training and regularly update and enhance their skills and knowledge to enable them to effectively discharge their duties.

In addition to the training programmes attended, the directors were briefed on the amendments to the Listing Requirements and regulatory requirements during the year.

The directors who have attended the training programmes are as follows:

Name	Training Programme
Datuk Redza Rafiq bin Abdul Razak	<ul style="list-style-type: none"> <li>• Taklimat Kemudahan Perubatan Bersama MediExpress</li> <li>• Taklimat dan Bengkel Kajian Semula Pengurusan Risiko Rasuah dan Pelan AntiRasuah Organisasi</li> <li>• Program Imej Keterampilan Professional</li> <li>• Program Ceramah Integriti Perbadanan Kemajuan Negeri Perak</li> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Dato' Seri Ir Mohamad Othman bin Zainal Azim	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Datuk Seri Dr Hj Hasim bin Hasan	<ul style="list-style-type: none"> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Andy Liew Hock Sim	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> <li>• MIA Forum with Practitioners</li> <li>• Accounting for Cryptocurrency Assets</li> <li>• MFRS 16 Leases</li> <li>• Auditors Responsibilities relating to Fraud</li> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Tan Chee Hau	<ul style="list-style-type: none"> <li>• LHDN E-invoicing in Malaysia: Navigating Tax, Compliance &amp; IT Process</li> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Ahmad Yani bin Aminuddin	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> <li>• What amounts to a Conflict of Interest by Directors</li> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Faizul Hilmy bin Ahmad Zamri	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>
Noor Azlin binti Zainal Abidin	<ul style="list-style-type: none"> <li>• Majlis Ikrar Integriti Korporat Kumpulan Perak Corporation Berhad</li> </ul>

## Remuneration Policy and Procedure

On 28 February 2024, the Board has established a Directors' and Senior Management's Remuneration Policy to provide a basis for developing the remuneration package that will attract, retain, motivate and fairly reward the contribution of the directors and senior management of the Company.

For the remuneration policy, the Nomination and Remuneration Committee reviews the salaries, annual fees, attendance allowance and other benefits for the executive and non-executive directors and key senior management of the Company benchmarked against industry standards and market competitiveness in light of the performance of the Company and Group in the industry.

The decision to determine the level of remuneration will be the responsibility of the Board as a whole after considering recommendations from the Nomination and Remuneration Committee. In addition, the annual fees of non-executive directors will be subject to the ultimate approval of the shareholders at the AGM.

The Board believes that fair remuneration is critical to attract and retain talents within the Company and ensures that the remuneration of directors and key senior management commensurate with their level of responsibility as well as their individual performance the Company and Group's performance.

### Directors' Remuneration

The remuneration of the directors of the Company for the FY2024 is as follows:

#### Company

Name of directors	Fees RM'000	Salaries RM'000	Other emoluments RM'000	Benefit-in-kind RM'000	Total RM'000
Datuk Redza Rafiq bin Abdul Razak	60	-	16	-	76
Dato' Seri Ir Mohamad Othman bin Zainal Azim	54	-	15	-	69
Datuk Seri Dr Hj Hasim bin Hasan	54	-	20	-	74
Andy Liew Hock Sim	54	-	20	-	74
Tan Chee Hau	54	-	20	-	74
Ahmad Yani bin Aminuddin	54	-	17	-	71
Faizul Hilmy bin Ahmad Zamri	54	-	17	-	71
Noor Azlin binti Zainal Abidin	54	-	12	-	66

#### Group

Name of director	Fees RM'000	Salaries RM'000	Bonus RM'000	Other emoluments RM'000	Benefit-in-kind RM'000	Total RM'000
Datuk Redza Rafiq bin Abdul Razak	84	-	40	3	-	127



## Senior Management's Remuneration

The remuneration of the GCEO of the Company for the FY2024 is as follow:

Name of GCEO	Fees from a subsidiary RM'000	Salaries RM'000	Other emoluments RM'000	Benefit-in-kind RM'000	Total RM'000
Rosmin bin Mohamed	24	574	-	-	598

The remuneration component, including salary, bonus, benefits-in-kind, and other emoluments of the current top five (5) senior management of the Company within the following bands for the FY2024 are as follows:

Remuneration in band	Senior management (number)
RM 50,000-RM100,000	1
RM100,001-RM150,000	
RM150,001-RM200,000	1
RM200,001-RM250,000	2
RM250,001-RM300,000	1
RM300,001-RM350,000	
RM350,001-RM400,000	
RM450,001-RM500,000	
Above RM500,000	

The Board noted that Practice 8.2 of the MCCG recommends disclosure on a named basis of the top five (5) senior management's remuneration components, including salary, bonus, benefits-in-kind and other emoluments in bands of RM50,000.

The Board considered the information required of the top five (5) senior management's remuneration to be sensitive and proprietary in nature. The Board is of the view that the non-disclosure on the named basis of the remuneration of the top five (5) senior management will not significantly affect the understanding and the evaluation of the Group's governance and will ensure the confidentiality of the remuneration of the top five (5) senior management.

## PRINCIPLE B : EFFECTIVE AUDIT AND RISK MANAGEMENT

### Audit Committee

The Audit Committee comprises three (3) independent directors. In order to ensure transparency and objectivity in the discussions and decisions of the Audit Committee, the Chairman of the Audit Committee is held by a director who is not the Chairman of the Board. The members of the Audit Committee are sufficiently financially literate with good understanding of the Group's businesses to enable them to continuously apply a critical and probing view on the financial reporting process, transactions and other financial information, and effectively challenge management's assertions on the Group's financial matters.

The Audit Committee provides assistance to the Board in fulfilling its oversight responsibilities in the financial reporting process, the system of internal controls, the audit process and the process of monitoring compliance with laws and regulations.

The terms of reference of the Audit Committee provided that no former partner of the Company's external audit firm and/or the affiliate firm (including those providing advisory services, tax consulting, etc.) should be appointed as a member of the Audit Committee before first observing a cooling-off period of at least three (3) years.

The role and summary of the activities of the Audit Committee are described in more detail in the Audit Committee Report set out on pages 85 to 89 of this Annual Report.

## **Financial Reporting**

For financial reporting through quarterly interim financial reports to Bursa Securities and the audited annual financial statements to the shareholders, the Board has a responsibility to present a balanced and fair assessment of the Group's financial position, performance and future prospects.

The Statement of Directors' Responsibility in relation to the preparation of the annual audited financial statements of the Company and the Group are set out on page 95 of this Annual Report.

The Audit Committee assists the Board in scrutinising the financial reporting processes and quality of the financial reporting of the Group. This Committee, on a quarterly basis, reviews the quarterly interim financial reports and yearly financial statements to ensure accuracy, adequacy and completeness, as well as to comply with applicable financial reporting standards and other regulatory and legal requirements.

## **Assessment of Suitability and Independence of External Auditors**

Through the Audit Committee, the Board maintains a close and transparent relationship with the external auditors of the Group, Messrs Crowe Malaysia PLT ("Crowe"), in seeking professional advice and ensuring compliance with applicable financial reporting standards in Malaysia. This Committee is accorded the power to communicate directly with the external auditors.

The Audit Committee conducts an annual assessment of the suitability, objectivity and independence of the external auditors by considering, amongst others, the following:

- a) the performance, technical competence, audit quality, sufficiency of resources and allocation of audit staff assigned to the audit;
- b) the appropriateness of audit fees to support a quality audit;
- c) the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- d) the written assurance from the external auditors confirming that they are, and have been, independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements.

Crowe has confirmed that they were and have been independent throughout the conduct of the audit engagement in accordance with the terms of all relevant professional and regulatory requirements, including the By-laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants.

Based on the recent annual assessment, the Audit Committee is satisfied with the independence, suitability, objectivity, technical competency and professionalism demonstrated by Crowe. Having regard to the outcome of the annual assessment of external auditors by the Audit Committee, the Board has agreed with the Audit Committee's recommendation to seek the shareholders' approval at the forthcoming AGM on the re-appointment of Crowe as external auditors of the Company for the FY2025.

## **Risk Management and Internal Control**

The Board takes responsibility for the Group's risk management and internal control system and for reviewing its adequacy and integrity and has established a Risk Management Committee accordingly.

The Risk Management Committee comprises three (3) independent directors. The role of the Risk Management Committee is to evaluate and assess the impact of the risks faced by the Group and then consider the actions taken or that are required to be taken to manage and mitigate the identified risks and report any significant issues to the Board.

During the FY2024, the Risk Management Committee held four (4) meetings on 27 February, 28 May, 27 August and 26 November 2024.

The attendance of the members of the Risk Management Committee is as follows:

### *Meeting attendance in 2024*

Tan Chee Hau (Chairman)	4/4
Andy Liew Hock Sim	4/4
Dato' Seri Ir Mohamad Othman bin Zainal Azim	3/4

The Board is of the view that the current system of risk management and internal control in place throughout the Group is sufficient to safeguard the Group's assets and shareholders' investment.

The Statement on Risk Management and Internal Control, as set out on pages 75 to 84 in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

## **Internal Audit Function**

The Board recognises that effective monitoring on a continuous basis through the internal audit function is a vital component of a sound internal control system. The Company has established an adequately resourced internal audit department, which is independent of the activities of the Group it audits, to conduct regular reviews of the internal controls and report directly to the Audit Committee.

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

### Communication with Shareholders and other Stakeholders

The Board acknowledges the importance of effective, transparent and timely dissemination of material information and has in place internal corporate disclosure procedures which enable comprehensive, accurate and timely disclosures relating to the Company to the shareholders, regulators and other stakeholders. These procedures also set out the authority and responsibility to approve such disclosure. In formulating these procedures, the Board is guided by the Corporate Disclosure Guide issued by Bursa Securities whilst adhering to the corporate disclosure requirements set out in the Listing Requirements.

Announcements via Bursa LINK of Annual Reports, which include the audited financial statements, quarterly interim financial reports, business acquisitions and disposals and other material information provide the shareholders and investing public with an overview of the Group's performance, operations and directions. Members of the public can also obtain the Annual Reports, notices of meetings of members and minutes of meetings of members on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

### Conduct Meetings of Members

The meetings of members of the Company, including the AGM, are the principal forum for dialogue with the shareholders. Notice of AGM is sent out to shareholders at least 28 days before the date of the meeting. The Annual Report and other accompanying documents are also made available to shareholders at least 28 days before the date of the AGM.

The Board encourages participation from the shareholders by having a question and answer session during the meetings of members of the Company, including the AGM. The directors and key senior management are available to provide clarifications and responses to the questions raised by the shareholders during the meetings.

All resolutions set out in the notice of meetings of members of the Company, including the AGM, are to be conducted by poll and an independent scrutineer is appointed to monitor the conduct of polling for each meeting of members.

The Company conducted a fully virtual 33<sup>rd</sup> AGM on 11 June 2024, which is in compliance with the Constitution of the Company which provides that meetings of members of the Company may be held using any technology or electronic means.

At the 33<sup>rd</sup> AGM, poll voting was conducted in respect of all resolutions using the Remote Participation and Voting Facilities provided by Tricor Investor & Issuing House Services Sdn Bhd to enable shareholders to participate and exercise their rights to speak and vote at the AGM and Scrutineer Solutions Sdn Bhd was appointed as Scrutineers to verify the poll results. The outcome of the poll in relation to the resolutions was announced at the same meeting, and detailed results stating the votes cast were subsequently announced via Bursa LINK.

In line with the latest directive from the Securities Commission and Bursa Securities, in respect of the forthcoming 34<sup>th</sup> AGM, the Company shall conduct a fully physical meeting to reinforce good governance for a meaningful shareholders engagement by promoting transparency and accountability.

### **Compliance Statement**

The Board is satisfied that the Group has substantially complied with the practices of the MCGG throughout the financial year. In pursuit of safeguarding the interest of the shareholders and other stakeholders, the Board is committed and will continue to strengthen its application of the best practices in corporate governance.



# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

Pursuant to Paragraph 15.26 (b) of the Listing Requirements of Bursa Securities, the Board is pleased to provide the Statement on Risk Management and Internal Control for the FY2024 of Perak Corp and the Group which was prepared in accordance with Practice 10.1 and 10.2 of the MCCG and the “Statement of Risk Management & Internal Control - Guidelines for Directors of Listed Issuers”.

## ROLES AND RESPONSIBILITIES

The Board acknowledges the importance of maintaining a sound framework in managing risks to safeguard the shareholders’ investments and the Group’s assets. The Board is constantly and actively identifying the Group’s level of risk tolerance, assessing and monitoring the key business risks, and addressing issues through the implementation of structured action plans. The Board, however, acknowledges that the system of internal control is designed to identify, evaluate, mitigate and monitor key risks associated with the Group. As such, it provides reasonable but not absolute assurance of effectiveness against material misstatement of management and financial information and records or against financial losses or fraud. The Board is satisfied that the risk management policies and procedures implemented by the management are prudent in ensuring that efficient internal control and risk management systems are in place to make it possible to assess and manage risk.

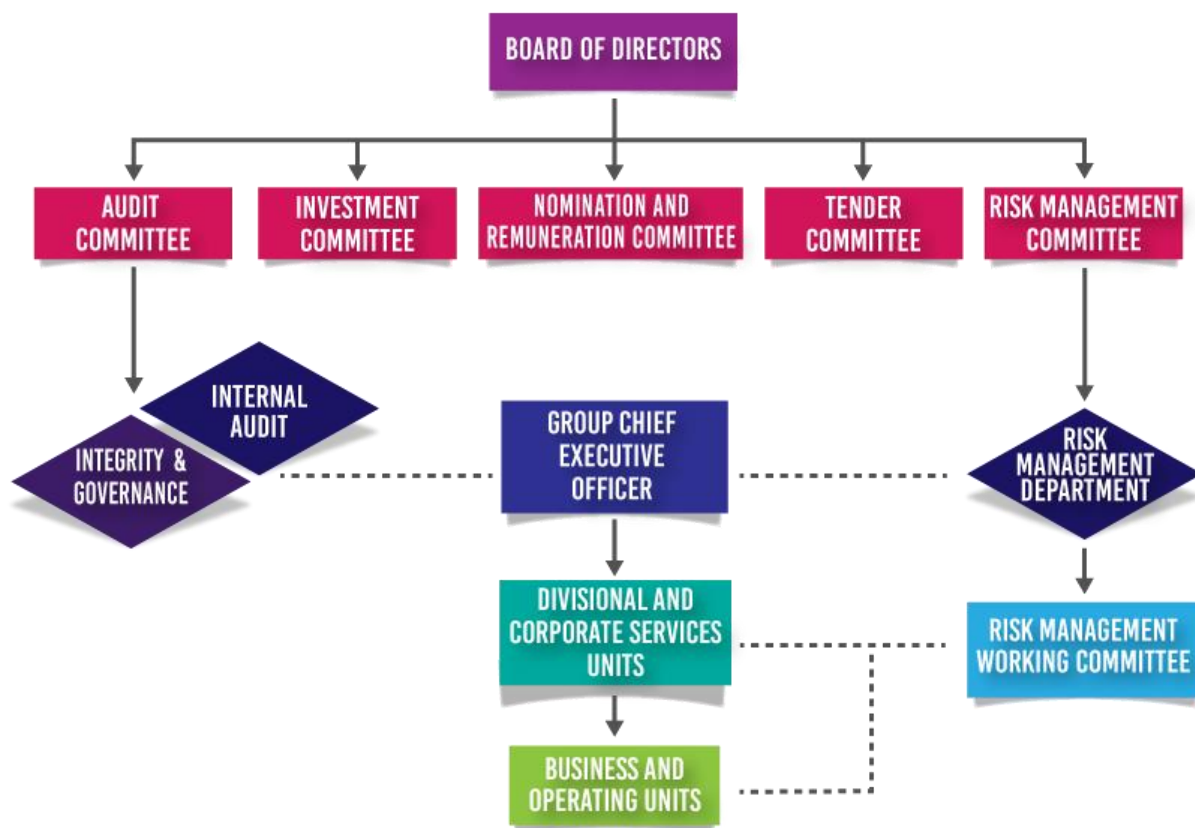
The Group’s system of internal control covers risk management, financial, operational and compliance controls. The Board does not regularly review internal control systems of associates as the Board does not have direct control over their operations. Notwithstanding the above, the Group’s interests are served through representation at the boards of the respective companies and the receipt of management reports upon queries. Such a representation also provides the Board with information for timely decision making on the continuity of the Group’s investments based on the performance of the associates.

Other than the insurable risks where insurance covers are purchased, other significant risks faced by the Group (excluding associates and joint operations, wherever applicable) are managed by the respective boards within the Group.

## MAIN FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The internal control framework is structured in such a manner that it provides reasonable assurance that the likelihood of a significant adverse impact on business objectives arising from an event is at a level acceptable to the Group.

The internal control system of the Group is supported by an appropriate organisational structure with clear reporting lines, defined lines of responsibilities, and authorities from respective business units up to the Board level, as follows:



The Board recognises the importance of key risk management and internal control system that set the tone for the Group. In recognising the importance of risk management and internal control system in the overall governance process, the Board has instituted the following:

#### Board and Board Committees:

As at date of issuance of the annual report, there are eight (8) Directors on the Board comprising one (1) non-independent and non-executive director, and seven (7) independent and non-executive directors.

The Board has established the Audit Committee, Investment Committee, Nomination and Remuneration Committee, Tender Committee and Risk Management Committee with specific terms of references, which have the authority to examine all matters within its scope of responsibilities and report to the Board with its recommendations for the Board's decision.

### Risk Management Committee:

The Risk Management Committee assists the Board in ensuring sound and robust Risk Management Policy (“RMP”) to achieve the Group’s strategic objectives, safeguard shareholder’s investments and its assets. The Risk Management Committee’s terms of reference was established and endorsed by the Board to govern its responsibilities and activities.

An independent and non-executive director chairs the Risk Management Committee, and all of its members are independent and non-executive directors. The chairperson for the Risk Management Committee subsequently updates the Board on proceedings from the Risk Management Committee’s meeting.

The Risk Management Committee convenes four (4) times for the year to assess and monitor the significant risks identified, review the risk mitigation strategies and update the significant risks to the Board.

Details of the composition of the Risk Management Committee and attendance by each member of the Risk Management Committee covering the period during the financial year are set below:

Members	Status of Directorship	Date of Appointment	Attendance of Meetings
Tan Chee Hau (Chairman)	Independent and non-executive	23 February 2022	4/4
Andy Liew Hock Sim	Independent and non-executive	6 October 2020 (as Chairman)	4/4
		23 February 2022 (Re-designated from Chairman to member)	
Dato’ Seri Ir. Mohamad Othman bin Zainal Azim	Independent and non-executive	30 September 2022	3/4

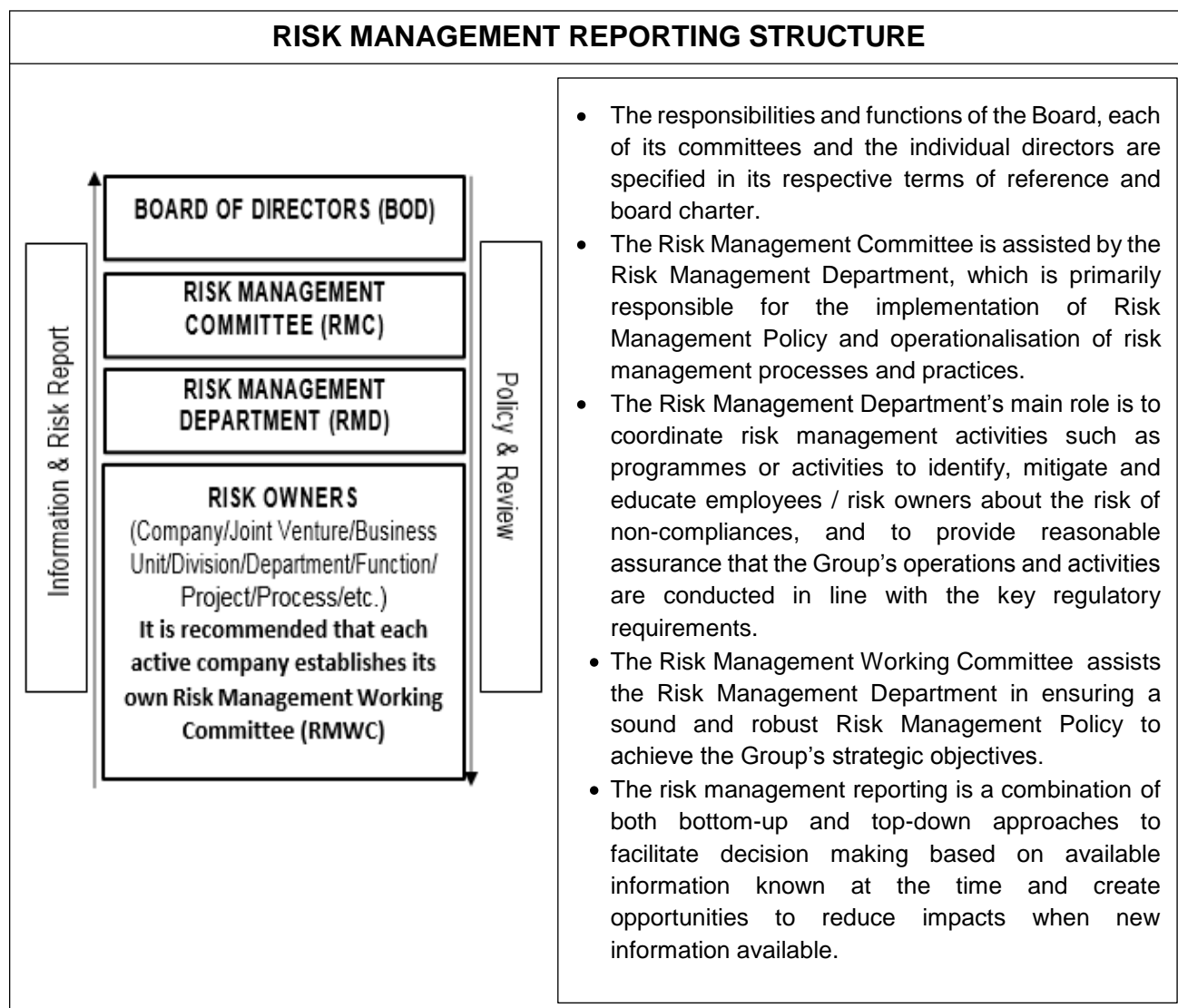
The Risk Management Committee undertakes the following responsibilities:

- Review and recommend risk management policies and procedures for the approval or acknowledgement of the Board;
- Act as Primary Champion of risk management at strategic and operational levels;
- Review the ongoing adequacy and effectiveness of risk management process;
- Review the consolidated significant risks and whether these are adequately managed; and
- Ensure that the Board receive adequate and appropriate information for review and decision-making respectively.

Amidst delivering growth for its stakeholders, the Group will continue its focus on sound risk assessment practices and internal control to ensure that the Group is well equipped to manage the various challenges arising from dynamic business and competitive environments.

## Risk Management Reporting Structure

The risk management system of the Group is supported by an appropriate organisation structure with clear reporting lines, defined lines of responsibilities and authorities from respective business units up to the Board level as follows:



## Risk Management Policy

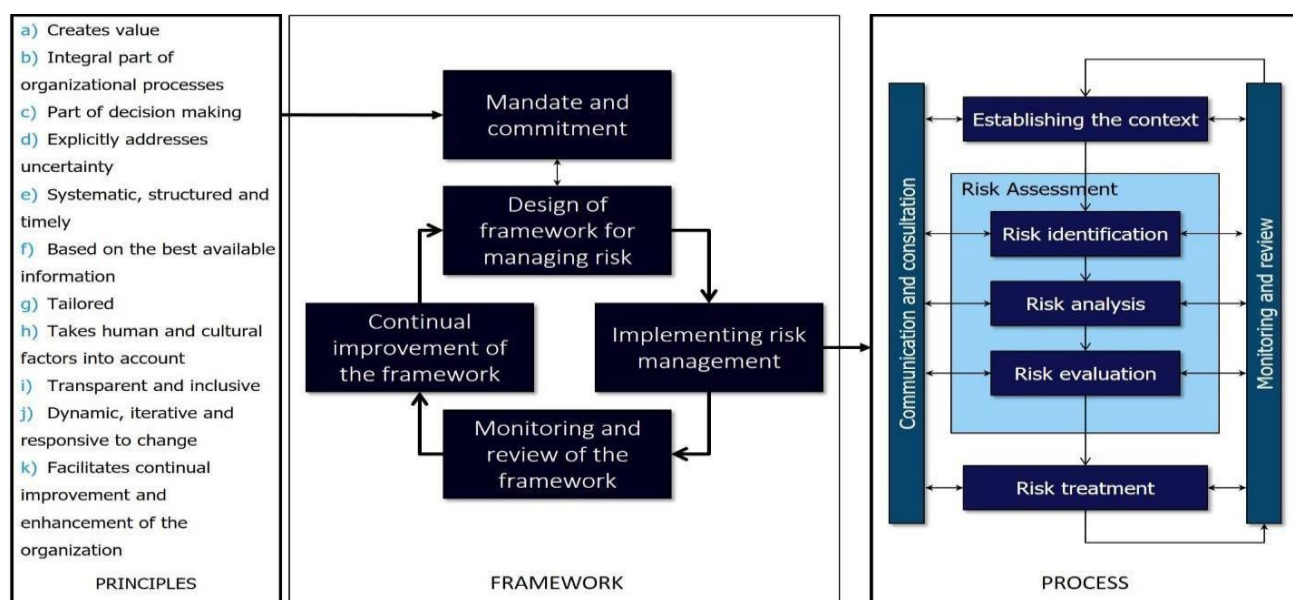
The Risk Management Policy provides the foundation and organisational arrangement for managing risk across the Group. It illustrates how risk management is embedded in the organisational systems and integrated at all levels and work contexts, making risk consideration part of day-to-day decision making and business practices.

The Risk Management Policy includes scopes and objectives, emphasises on enterprise-wide risk assessment and management, and key risk indicators, which measure the appropriateness and effectiveness of risk countermeasures based on demonstrated/observed improvements on key business, operating and financial parameters.

The Risk Management Policy aims to:

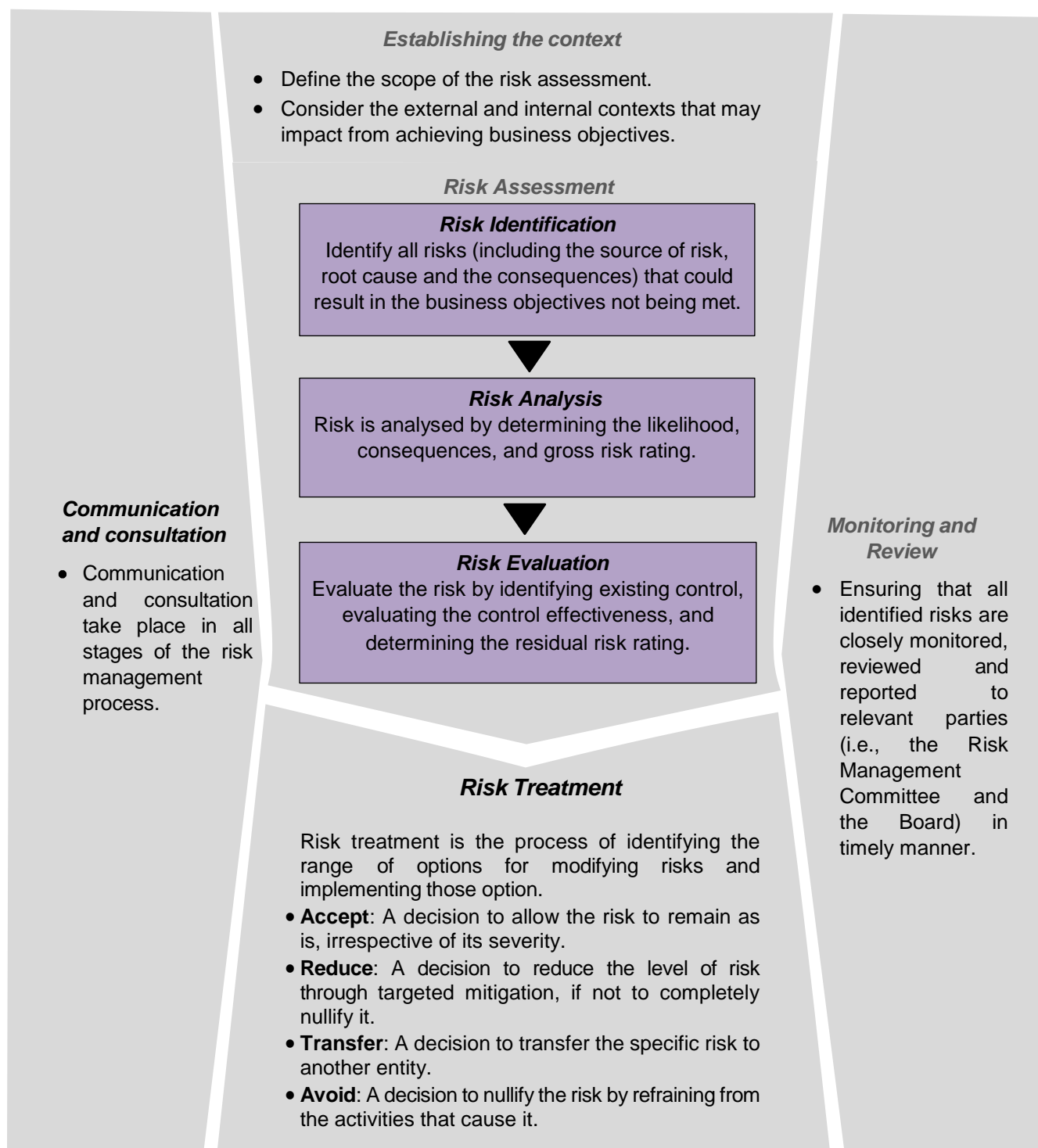
- Establish common risk language, modus operandi and direction with regard to risk management;
- Convey the Group's policy and attitude toward risk management;
- Set the policy, methodology, scope and application of risk management;
- Detail the process for escalating and reporting risks;
- Establish the roles and responsibilities for managing risk;
- Facilitate open communication between the management and the Board with respect to risk, encouraging proactive decision making; and
- Build an appropriate culture of integrity and risk awareness.

## Risk Management Principles, Framework and Process





## Risk Management Process



## Summary of Risk Management Activities

Risk management activities are summarised as follows:

- a) Assessed and strengthened the enterprise risk management framework for further standardisation of risk identification, assessment and governance of risks across the Group;
- b) Assessment of business momentum relative to competition and competitive position in key market segments comprising geographies, industries and service lines were conducted and measured;
- c) Risk identification and mitigating action plans are conducted as continuous efforts to inculcate a proactive risk-awareness culture within the Group;
- d) Preparation of risk management reports, which are produced four (4) times for the financial year and are presented to the Risk Management Committee and the Board for deliberation and approval. The four (4) Risk Management Committee's meetings were carried out on 27 February, 28 May, 27 August and 26 November 2024;
- e) Periodic review and monitoring of the implementation of risk action plans by the Risk Management Department and risk owners; and
- f) Provision of risk management consultation and advisory services to relevant projects, investment and potential business leads.

## Risk Management Highlights for the Year 2024

During the financial year, the Board was kept informed and updated by the Risk Management Committee on key risks affecting the Group. Four (4) Risk Management Committee's meetings were held for the year and Risk Management Reports which were presented quarterly at the Risk Management Committee's meeting and subsequently escalated to the Board during its meeting were duly noted by the Board. The practice undertaken by the Group in respect of mitigating risk affecting the Group focuses primarily on creating and enhancing the effectiveness of strategic programs in improving the Group's competitive position and differentiation in market segments. The Group also ensures new initiatives are developed so as to enable the Group to achieve its long-term business aspirations and this in turn displays the Group's preparedness to address incidents which may cause disruption to business operations, while at the same time focuses on ensuring the internal controls are in place so as to enable the Group to detect fraudulent activities and other activities which may pose a threat and/or risk to the Group.

## KEY ELEMENTS OF INTERNAL CONTROL

Internal control is embedded in the Group's operations as follows:

Organisational Structure and Reporting Lines	<ul style="list-style-type: none"> <li>• There is a clear organisational structure with defined reporting lines within the Group with each department and business unit having its roles and responsibilities, levels of authority and lines of accountability.</li> <li>• Defined level of authority and lines of responsibilities from operating unit up to the Board level to ensure accountabilities for risk management and control activities.</li> <li>• The Group's core business activities are primarily driven by the Ports &amp; Logistics, Strategic Planning &amp; Implementation, Business Development, and Hospitality &amp; Tourism teams.</li> <li>• Each department and business unit are responsible for its conduct and performance, including the identification and evaluation of significant risks applicable to its respective business areas, the design and operation of suitable internal control and in ensuring that an effective system of internal control is in place.</li> <li>• Code of Conduct endorsed by the Board and communicated to all employees across the Group sets out the high standards of conduct and ethical values expected in all business practices. This Code of Conduct serves as a guide and reference for employees on ways to conduct business and carry out their duties in a manner that is efficient, effective and fair.</li> <li>• The Board is supported by a qualified Company Secretary. The Company Secretary plays an advisory role to the Board, particularly on matters relating to compliance with the Listing Requirements, the Companies Act 2016 and other relevant laws and regulations.</li> </ul>
Account & Finance	<ul style="list-style-type: none"> <li>• A structured strategic planning, target setting and detailed budgeting process is conducted for each area of business. Budgets are approved both at the operating level and by the Board.</li> <li>• Consolidated quarterly management accounts and forecast performance are prepared and reviewed to enable the Management to monitor financial performance and identify areas of concern promptly.</li> <li>• Limit of Authorities, that outline the approval thresholds and delegating authority across the Group, are reviewed and updated periodically.</li> </ul>
Internal Audit	<ul style="list-style-type: none"> <li>• The Internal Audit function provides reasonable assurance on the effectiveness of the internal control system within the Group. The internal audit activities are carried out according to the internal audit plan based on the risk-based approach, which has been approved by the Board.</li> <li>• The internal audit reports are deliberated by the Audit Committee and are subsequently presented to the Board on a quarterly basis or earlier, as and when appropriate.</li> </ul>

<p>Anti-Corruption, Integrity and Governance</p>	<ul style="list-style-type: none"> <li>• The IGU ensures that all matters related to anti-corruption, integrity, and governance are integrated under one specific unit so that any plan, module, programme and strategy can be implemented in a focused and organised manner in order to ensure that the institutionalisation of integrity, preventive measures, compliance, and detection of misconduct can be enforced in an efficient and effective way.</li> <li>• The Group's Whistleblowing Policy provides a platform for potential whistle-blowers to act appropriately without fear of reprisal or retaliation. Employees who disclose information in good faith are protected from any retaliation as a direct consequence of their disclosure. As part of the Group's continuous efforts to strengthen corporate governance, the revised Whistleblowing Policy was approved by the Board on 28 February 2024.</li> <li>• The Group's Organisational Anti-Corruption Plan 2022-2024 focuses on corruption risks across the Group. Initiatives and action plans are identified as control measures based on the corruption risk assessment across the Group in managing any corruption or integrity-related matters. Upon the implementation of the Group's Organisational Anti-Corruption Plan 2022-2024, the Integrity &amp; Governance Unit will undertake the establishment of the Group's Organisational Anti-Corruption Plan 2025-2027.</li> <li>• The Confidentiality Policy ensures the protection of the Group's sensitive and confidential information. Notwithstanding, in order for the Group to be effective, the employees must be able to share information and knowledge, and therefore confidentiality is necessary as a condition of trust.</li> <li>• The establishment of standard operating procedures for every department and business unit serves as guidelines to ensure adequate procedures are in place. Dedicated policies and procedures are essential in minimising errors, enhancing efficiencies and profitability, creating a safe working environment, and establishing clear rules for resolving problems and overcoming obstacles. In addition to ongoing training aimed at improving employees' compliance with the Group's policies and procedures, the Integrity &amp; Governance Unit has played a key role in overseeing and monitoring the development of new policies and procedures and the enhancement of existing ones.</li> <li>• Perak Corp obtained the Corporate Integrity System Malaysia certification on 30 October 2023 and successfully implemented the same for its subsidiaries, namely Casuarina Meru Sdn Bhd, Lanai Casuarina Sdn Bhd, and Casuarina Boathouse Sdn Bhd, on 18 October 2024. This initiative is part of the Group's efforts to ensure that adequate procedures are in place to comply with the corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.</li> </ul>
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Risk Management	<ul style="list-style-type: none"> <li>• The Risk Management Committee is chaired by the independent and non-executive director to review and recommend the risk management policies, strategies, key risks review and risk mitigation actions for the Group as well as reporting to the Board.</li> <li>• The Group has a risk management policy that describes the risk management framework and supporting processes that have been approved by the RMC. Supporting policies, standards and guidelines are also available to guide decision making.</li> </ul>
Human Capital Development	<ul style="list-style-type: none"> <li>• The Human Capital Development ensures that organisations have a pipeline of talented individuals who can take on leadership and critical roles in the future. By nurturing and developing employees' skills, organisations can groom their own talent and reduce dependence on external hiring.</li> <li>• On-the-job training, focusing on the comprehension of the available policies, standard operating procedures and guidelines, as well as off-the-job trainings, are conducted to all employees to ensure that they are trained and competent in carrying out their duties and responsibilities.</li> </ul>

## CONCLUSION

For the financial year under review and up to the date of issuance of the audited financial statements, the Board is satisfied that the risk management system implemented across the Group is adequate for identifying and assessing the risks within the context of the Group's business environment. The risk management system will also assess the adequacy of the internal controls that are in place to mitigate the identified risks to acceptable levels.

The Board has received assurance from the GCEO that, following a review of the Group's risk management and internal control system, it is operating adequately and effectively, in all material aspects, in accordance with the risk management framework and internal controls adopted by the Group. The Board was also informed that continuous efforts are being undertaken to further enhance the system across the Group.

In addition, the Audit Committee convenes meetings to review and deliberate on the findings and recommendations for improvement presented by both the internal and external auditors on the state of the internal controls system, and report to the Board. As part of the Group's ongoing control improvement process, the Management undertakes appropriate actions to address the control recommendations made by both the internal and external auditors.

No material losses, contingencies or uncertainties have arisen from any inadequacy or deficiencies of the Group's system of internal control for the FY2024 that are required to be disclosed in the Annual Report.

This statement is made in accordance with a resolution of the Board dated 30 April 2025.



## AUDIT COMMITTEE REPORT

Pursuant to Paragraph 15.15 of the Listing Requirements of Bursa Securities, the Board is pleased to provide the Audit Committee Report for the FY2024.

The Audit Committee is a committee of the Board responsible for the oversight of financial reporting including the adequacy of related disclosures, review of conflict of interest situations and related party transactions as well as corporate governance and overseeing responsibilities about the Group's internal control and evaluate both the internal and external audit processes.

The detailed terms of reference of the Audit Committee are made available on the Company's website at [www.perakcorp.com.my](http://www.perakcorp.com.my).

### MEMBERS AND MEETING

The Audit Committee comprises three (3) independent and non-executive directors.

The terms of reference of the Audit Committee requires it to meet at least four (4) times a year, although additional meetings may be called at any time at the discretion of the Chairman of the Audit Committee or if requested by any member of the Audit Committee, or by the internal or external auditors. The Audit Committee may also meet with the internal and/or external auditors, either separately or together, without the presence of other directors, Management or employees of the Company, whenever deemed necessary. Additionally, the Audit Committee may invite any individual to attend meeting as appropriate.

A total of five (5) meetings were held on 27 February, 26 April, 28 May, 27 August and 26 November 2024 during the financial year. Details of the composition of the Audit Committee and attendance by each member of the Audit Committee during the financial year are set below:

Members	Status of Directorship	Date of Appointment	Attendance of Meetings
Andy Liew Hock Sim (Chairman)	Independent and non-executive	6 August 2020	5/5
Datuk Seri Dr Hj Hasim bin Hasan	Independent and non-executive	30 September 2022	5/5
Tan Chee Hau	Independent and non-executive	30 September 2022	5/5

The meetings have been appropriately and adequately structured with each member of the Audit Committee receiving notices, agendas, and papers sufficiently in advance prior to the meetings.

The Chairman of the Audit Committee reports to the Board on key matters deliberated during the Audit Committee's meetings. The Chairman of the Audit Committee also presents to the Board on matters of significant concern as and when reported by the external auditors and internal auditors.

## ACTIVITIES DURING THE FINANCIAL YEAR

During the financial year, the Audit Committee carried out its duties as set out in its terms of reference. The summary of key activities is as follows:

### Financial Reporting

In its oversight of the financial reporting process, for the financial year under review, the Audit Committee obtained assurance from the Management during the course of its review, amongst others, on the following:

- a) Reviewed the quarterly unaudited financial results of the Group to ensure compliance with applicable accounting standards and other statutory and regulatory requirements prior to recommending for approval by the Board;
- b) Reviewed the impact of any changes to the accounting policies and adoption of new accounting standards as well as accounting treatments used in the financial statements; and
- c) Reviewed the annual audited financial statements prepared by Management and the audit report thereon as presented by the external auditors covering the following areas with the Management prior to submission with its recommendation to the Board for approval:
  - i. Appropriate accounting policies that have been adopted and applied consistently;
  - ii. Key audit issues that arose during the audit and their subsequent resolution; and
  - iii. External auditors' management letter and Management's response thereto.

### External Audit

During the financial year, the Audit Committee together with the external auditors have:

- a) Reviewed the audit plan in respect of the audit for the FY2024, outlining the nature and scope of the audit work and the proposed fees for the statutory audit, as well as the audit procedures to be undertaken;
- b) Reviewed the resource capacity and effectiveness as well as the suitability, objectivity, and independence of the external auditors; and
- c) Reviewed major audit findings and observations arising from the quarterly review and final audits, significant accounting issues, and any other matters.

The amount of audit fees and non-audit fees payable to Crowe Malaysia PLT for the FY2024, are as follows:

	<b>Audit fees (RM'000)</b>	<b>*Non-Audit fees (RM'000)</b>
Company	180	191
Group	624	191

\*The non-audit fees included assurance services rendered for the quarterly review and annual review of the Statement on Risk Management and Internal Control.

## Internal Audit

During the financial year, the Audit Committee together with the internal auditors have:

- a) Reviewed and recommended the annual internal audit plan for the Board's approval based on a risk-based approach as presented by the internal auditors and discussed with them on the scope of work, adequacy of resources, and coordination with the internal auditors;
- b) Reviewed and deliberated internal audit reports, along with the corrective actions taken by the Management to address the issues highlighted in the internal audit reports; and
- c) Reviewed the adequacy of the internal audit process and resources allocated to the internal auditors.

## Related Party Transactions

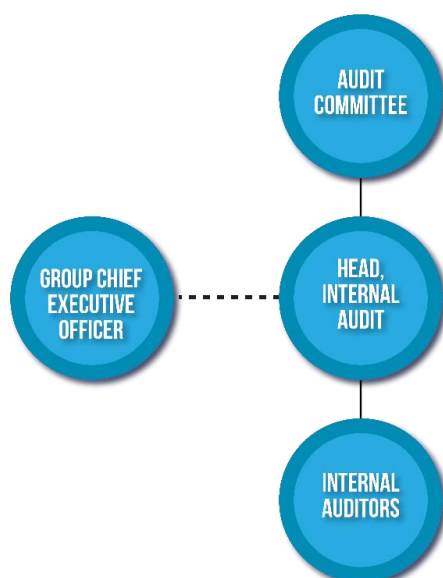
During the financial year, the Audit Committee has reviewed the related party transactions entered by the Company and the Group as well as the disclosure and the procedures relating to related party transactions.

## INTERNAL AUDIT FUNCTION

The Audit Committee is supported by the internal auditors in discharging its duties and responsibilities. The internal audit authority, responsibilities, and scope of work are defined in the Internal Audit Charter as approved by the Audit Committee.

The main role of the internal auditors is to review the effectiveness of internal control, and this is performed with impartiality, proficiency, and due professional care. In determining the priorities for internal audit activities, the internal auditors apply a risk-based approach, and the annual audit plan is reviewed periodically, taking into consideration changes in risk exposure and operating environment.

The Head of Internal Audit, who is an associate member of The Institute of Internal Auditors Malaysia, reports functionally to the Audit Committee on internal audit matters and administratively to the GCEO. The structure of the Internal Audit Department is as follows:



The annual internal audit plan, which has been prepared based on a risk-based approach, has been reviewed and recommended by the Audit Committee and subsequently approved by the Board, taking into consideration the results of previous audits, both external and internal, the views of the Management, adequacy of the scope, functions, competency, and resources of the internal auditors during the year.

The internal audit activities have been carried out according to the approved internal audit plan. During the financial year, the internal auditors conducted a series of audit reviews on the operating units including subsidiaries of the Group. The internal auditors followed up to ensure that recommendations to improve internal controls were implemented by the Management. These initiatives, together with the Management's adoption of the external audit's recommendations for the improvement of internal control identified during the annual audit, provide reasonable assurance that effective control procedures are in place.

## INTEGRITY AND GOVERNANCE FUNCTION

The IGU continues to play a crucial role in ensuring that all matters related to anti-corruption, integrity, and governance are effectively integrated within a dedicated unit. This allows for the structured and systematic implementation of plans, modules, programs, and strategies, ensuring the institutionalisation of integrity, preventive measures, compliance, and detection of misconduct in an efficient and effective manner. Functionally, the IGU reports directly to the Audit Committee on integrity and governance matters, while administratively, it reports to the GCEO. The structure of IGU is as follows:



For the FY2024, following the successful implementation of the Corporate Integrity System Malaysia Programme and the certification awarded on 30 October 2023, the IGU organised the Corporate Integrity Pledge Ceremony on 23 December 2024. This event marked a significant milestone in reaffirming the commitment of the Board, the Management and employees to maintain the highest standards of integrity and ethical conduct. During the ceremony, the Board, Management and employees collectively recited the pledge, with the signing ceremony symbolically led by the Board and witnessed by the Director of the Malaysian Anti-Corruption Commission Perak. This occasion further solidified the Company's steadfast commitment to transparency, ethical business practices, and strong governance.

The Company, through the Integrity & Governance Unit, has implemented several initiatives to further strengthen integrity and governance as follows:

- a) The Whistleblowing Policy was revised to enhance the robustness of the complaint management process and improve mechanisms for addressing concerns;
- b) The Organisational Anti-Corruption Plan 2022-2024 was implemented to proactively address and mitigate corruption risks through the systematic execution of targeted initiatives. Following the completion of the Organisational Anti-Corruption Plan 2022-2024, the Company will initiate the development of the Organisational Anti-Corruption Plan 2025-2027 to ensure continuity in mitigating corruption risks; and
- c) A new standard operating procedure on gift declaration was established to promote transparency, prevent conflicts of interest, and ensure adherence to anti-corruption standards. Concurrently, the IGU enhanced its standard operating procedures to strengthen critical functions such as complaint management, detection and verification processes, and integrity reinforcement. Furthermore, revisions to numerous standard operating procedures were carried out to ensure alignment with the Company's relevant policies and industries best practices.

These measures demonstrate the Company's efforts in embedding a culture of integrity and robust governance practices throughout its operations.



## ADDITIONAL COMPLIANCE INFORMATION

### Recurrent Related Party Transactions (“RRPT”) of Revenue Nature

The RRPT of revenue nature conducted during the financial year is as follows:

Type of RRPT	Name of related party	Relations with the Company	Actual value 01/01/2024 – 31/12/2024 (RM)
Operation and maintenance contract provided by Lumut Maritime Terminal Sdn Bhd (“LMTSB”)	Lekir Bulk Terminal Sdn Bhd (“LBTBSB”)	See Note 1	44,664,561
Rental of office premises from PCB Taipan Sdn Bhd (“PCBTSB”)	Perbadanan Kemajuan Negeri Perak (“PKNPk”)	Ultimate holding corporation	1,843,903

Note 1:

Integrax Berhad holds 100% equity interest in Pelabuhan Lumut Sdn Bhd, which in turn holds 50% minus 1 share equity interest in LMTSB and 100% equity interest in LBTBSB.

### UTILISATION OF PROCEEDS

No proceeds were raised by the Company from any corporate exercise during the FY2024.

### MATERIAL CONTRACTS

Save as disclosed in Note 33 to the financial statements for the FY2024, there were no material contracts entered into by the Company or its subsidiary involving the interest of the directors and major shareholders, either still subsisting at the end of the financial year or entered into since the end of the previous financial year, except for the following:

- a) On 8 January 2024, the Company has entered into a Joint Venture Agreement with PKNPk to establish a synergistic collaboration and to jointly carry out the development of SVTP Industrial Hub on 39 pieces of leasehold lands all located in Mukim Hulu Kinta, Daerah Kinta, Perak with a term of 99 years expiring on 28 June 2112 measuring a total gross area of approximately 798.32 acres, as defined in the said agreement, sale of industrial plots and other product offerings to end-purchasers and end- users in furtherance to the development initiatives set out in the Master Development Agreement dated 31 March 2023. PKNPk is entitled to basic revenue share of RM9.70 per square foot of each industrial plot sold.

- b) On 8 March 2024, the Company has entered into a Joint Development Agreement (“JDA”) with PKNPk to collaborate with each other to jointly carry out the development of the land alienated by the State Authority of Perak to PKNPk pursuant to a State approval of alienation dated 26 January 2023 bearing file reference No: PTG.PK602/5-189(26) (B) into a gated and guarded housing scheme comprising double storey bungalow, double storey semi-detached houses and double storey terrace houses and to undertake their respective roles and obligations set out in the JDA in furtherance to the development initiatives set out in the Master Development Agreement dated 31 March 2023.
- c) In tandem with the execution of the JDA, the Company and PKNPk have on 8 March 2024 entered into a Joint Venture Agreement with Uni-Poh Construction Works Sdn Bhd to jointly undertake the construction and completion of a gated and guarded housing scheme comprising double storey bungalow, double storey semi-detached houses and double storey terrace houses on a parcel of land located in Bandar Meru Raya, Mukim Hulu Kinta, Perak Darul Ridzuan measuring approximately 43.79 acres in area and to market and carry out sales of the units to end purchasers.

On 13 February 2025, the Company entered into a Supplemental Agreement with PKNPk and Uni-Poh Construction Works Sdn Bhd to modify, vary and supplement the terms of the joint venture agreement dated 8 March 2024 and to more particularly stipulate and specify the agreed liquidated value of the Company’s entitlement and the new mode of payment of the same.

## ANALYSIS OF SHAREHOLDINGS AS AT 28 MARCH 2025

Total number of issued shares	:100,000,000
Class of shares	:Ordinary shares
Voting rights	:One (1) vote per ordinary share held

### DISTRIBUTION OF SHAREHOLDERS

Size of shareholdings	No. of holders	%	Total shareholdings	%
Less than 100	278	14.60	11,618	0.01
100 to 1,000	207	10.87	114,580	0.12
1,001 to 10,000	1,087	57.09	3,730,965	3.73
10,001 to 100,000	271	14.23	8,883,384	8.88
100,001 to 4,999,999	59	3.10	29,628,203	29.63
5,000,000* and above	2	0.11	57,631,250	57.63
	1,904	100.00	100,000,000	100.00

Note :

\* Denotes 5% of the issued shares

### SUBSTANTIAL SHAREHOLDERS

No.	Name of holders	No. of shares held			
		Direct	%	Indirect	%
1	Perbadanan Kemajuan Negeri Perak	52,271,253 <sup>*1</sup>	52.27	627,150 <sup>*2</sup>	0.63
2	Sime Darby Property Berhad	6,125,000	6.13	-	-

Note :

\*1 Including 51,506,250 shares held under CIMB Group Nominees (Tempatan) Sdn Bhd

\*2 Deemed interested through its direct and indirect wholly owned subsidiaries, namely Fast Continent Sdn Bhd, Cherry Blossom Sdn Bhd and Perak Equity Sdn Bhd

### DIRECTORS' SHAREHOLDINGS

No.	Name of directors	No. of shares held			
		Direct	%	Indirect	%
1	Datuk Redza Rafiq bin Abdul Razak	-	-	-	-
2	Dato' Seri Ir Mohamad Othman bin Zainal Azim	-	-	-	-
3	Datuk Seri Dr Hj Hasim bin Hasan	-	-	-	-
4	Andy Liew Hock Sim	-	-	-	-
5	Tan Chee Hau	-	-	-	-
6	Ahmad Yani bin Aminuddin	-	-	-	-
7	Faizul Hilmy bin Ahmad Zamri	-	-	-	-
8	Noor Azlin binti Zainal Abidin	-	-	-	-

### GROUP CHIEF EXECUTIVE OFFICER'S SHAREHOLDINGS

No.	Name	No. of shares held			
		Direct	%	Indirect	%
1	Rosmin bin Mohamed	-	-	-	-

## THIRTY LARGEST SHAREHOLDERS

No.	Name	No. of shares held	%
1	CIMB Group Nominees (Tempatan) Sdn Bhd • CIMB Bank Bhd for Perbadanan Kemajuan Negeri Perak (CBD-NR-PERAKCB)	51,506,250	51.51
2	Sime Darby Property Berhad	6,125,000	6.13
3	Chua Sim Neo @ Diana Chua	4,914,300	4.91
4	KAF Trustee Berhad • KIFB for KAF Seagroatt & Campbell Berhad	3,912,000	3.91
5	Kenanga Nominees (Tempatan) Sdn Bhd • Rakuten Trade Sdn Bhd for Pui Cheng Wui	3,905,600	3.91
6	Alliancegroup Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Lai Cheng Kuan (8058893)	3,125,000	3.13
7	Pui Cheng Wui	1,075,800	1.07
8	Kenanga Nominees (Asing) Sdn Bhd • Cantal Capital Inc.	1,000,000	1.00
9	Perbadanan Kemajuan Negeri Perak	765,003	0.76
10	Tharumanathan a/l S. Eliathamby	463,000	0.46
11	Pong Hee Kit	440,400	0.44
12	Public Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Law Yoong Kent (E-TMM)	420,500	0.42
13	Public Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Tam Seng @ Tam Seng Sen (E-PTS)	400,000	0.40
14	Cherry Blossom Sdn Bhd	367,150	0.37
15	KAF Trustee Berhad • KIFB for Yayasan Istana Abdul Aziz	360,000	0.36
16	KAF Trustee Berhad • KIFB for DYMM Tuanku Bainun Mohd Ali	351,000	0.35
17	Vasan a/l P. Sinnadurai	338,200	0.34
18	Kenanga Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Chin Kiam Hsung	319,700	0.32
19	Ng Poh Cheng	302,200	0.30
20	Law Yoong Kent	279,000	0.28
21	Toh Ah Hai	275,000	0.27
22	Maybank Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Tay Ong Ngo @ Tay Boon Fang	260,000	0.26
23	Cheong Yoke Choy	250,000	0.25
24	Lim Soo Hien	250,000	0.25
25	Fast Continent Sdn Bhd	247,500	0.25
26	Wong Soo Chai @ Wong Chick Wai	235,400	0.24
27	Pui Boon Hean	232,000	0.23
28	UOB Kay Hian Nominees (Asing) Sdn Bhd • Exempt Authorised Nominees for UOB Kay Hian Pte Ltd(A/C Clients)	230,350	0.23
29	RHB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Chin Kiam Hsung	230,000	0.23
30	Tan Teck Peng	228,000	0.23
		<b>82,808,353</b>	<b>82.81</b>

## LIST OF MATERIAL PROPERTIES

### AS AT 31 DECEMBER 2024

Locations	Approximate Land Area (acres)	Tenure	Descriptions	Date of Acquisitions/ Net Book Value/ Approx. Age (Building)
PT 16661, 16662, 16838 & 16839, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	125.88	Leasehold (99 years) expiring year 2105	Port and Waterbody	31.05.2017 RM109,713,126
Lot PT 6973, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	72.54	Leasehold (99 years) expiring year 2094	Wharf, Warehouse & office complex building	10.04.1997 RM78,037,534 27 years
GRN 404949, Lot 403194 (formerly known as H.S(D) 204383 PT 245010), Mukim Ulu Kinta, District Of Kinta, Perak Darul Ridzuan.	7.34	Freehold	Hotel, convention centre & 2-office towers	30.08.2013 RM43,238,508 11 Years
Lot 20402, PN 394961 Negeri Perak, Mukim Hulu Bernam Timor, District Of Mualim, Perak Darul Ridzuan.	247.85	Leasehold (99 years) expiring year 2108	Residential land	29.11.1997 RM25,813,235
Lot 517373, GRN 154028 Negeri Perak, Mukim Ulu Kinta, District Of Kinta, Perak Darul Ridzuan.	50.00	Freehold	Commercial land	31.01.2004 RM14,429,829
PT 10445 and PT10447, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	13.30	Leasehold (99 years) expiring year 2105	Open Stockyard	31.01.2017 RM11,511,549
Lot 20403, PN 394962 Negeri Perak, Mukim Hulu Bernam Timor, District Of Mualim, Perak Darul Ridzuan.	103.71	Leasehold (99 years) expiring year 2108	Residential land	29.11.1997 RM11,127,699
LMT 3, PT 30139, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	27.10	Leasehold (99 years) expiring year 2118	Portland	17.11.2022 RM10,427,587
Lot 20571, PN 394965 Negeri Perak, Mukim Hulu Bernam Timor, District Of Mualim, Perak Darul Ridzuan.	45.94	Leasehold (99 years) expiring year 2108	Commercial land	29.11.1997 RM6,406,247
Lot 20570, PN 394964 Negeri Perak, Mukim Hulu Bernam Timor, District Of Mualim, Perak Darul Ridzuan.	27.21	Leasehold (99 years) expiring year 2108	Commercial land	29.11.1997 RM3,823,100
Lot 516687, GRN 151067 Negeri Perak, Mukim Ulu Kinta, District Of Kinta, Perak Darul Ridzuan.	11.38	Freehold	Mixed Development	31.01.2004 RM3,658,975
Lot 516682, GRN 178753 Negeri Perak, Mukim Ulu Kinta, District Of Kinta, Perak Darul Ridzuan.	10.00	Freehold	Institution	31.01.2004 RM3,216,398
PT 32665, HSD 13618 Negeri Perak, Mukim Kampar, District Of Kampar, Perak Darul Ridzuan.	110.01	Leasehold (99 years) expiring year 2114	Agriculture	25.02.2015 RM2,423,000
PT 6972/ Lot 11063, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	1.65	Leasehold (99 years) expiring year 2094	Open Stockyard	17.04.2013 RM2,212,330



## STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act 2016 to prepare the financial statements for each financial year in accordance with the applicable Malaysia Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia, which give a true and fair view of the state of affairs of the Group and the Company at the end of the financial year and their results and cash flows for the financial year.

In preparing the financial statements, the Directors have:

- Complied with the applicable Malaysia Financial Reporting Standards in Malaysia;
- Adopted and consistently applied appropriate accounting policies; and
- Made judgements and estimates that are prudent and reasonable

The Directors have the responsibility to ensure that the Group and the Company keep accounting records, which disclose with reasonable accuracy the financial position of the Group and the Company, and which enable them to ensure that the financial statements comply with the Listing Requirements of Bursa Securities, Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Directors have general responsibility for taking such steps that are reasonably open to them to safeguard the assets of the Group and the Company. The Directors acknowledge their overall responsibility for maintaining a system of internal controls that provides assurance of effective and efficient operations and compliance with laws and regulations and also its internal procedures and guidelines. The system of internal controls is designed to provide reasonable assurance against the risk of material errors, fraud or other irregularities.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

REPORTS AND STATUTORY FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

REPORTS AND STATUTORY FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

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PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

### DIRECTORS

The directors of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are as follows:

Datuk Redza Rafiq Bin Abdul Razak  
Andy Liew Hock Sim  
Tan Chee Hau  
Ahmad Yani Bin Aminuddin  
Faizul Hilmy Bin Ahmad Zamri  
Dato' Seri Ir Mohamad Othman Bin Zainal Azim  
Datuk Seri Dr. Hj Hasim Bin Hasan  
Noor Azlin Binti Zainal Abidin

The names of directors of the Company's subsidiaries who served during the financial year and during the period from the end of the financial year to the date of the report are as follows:

Directors of PCB Equity Sdn. Bhd.  
Rosmin Bin Mohamed  
Mukhriz Bin Che Murad

Directors of PCB Taipan Sdn. Bhd.  
Datuk Redza Rafiq Bin Abdul Razak  
Dato' Mohd Azmi Bin Hj Othman

Directors of Casuarina Meru Sdn. Bhd.  
Dato' Mohd Azhar Bin Jamaluddin  
Dato' Mohd Azmi Bin Hj Othman  
Datuk Redza Rafiq Bin Abdul Razak  
Rosmin Bin Mohamed  
Lee Kah Jin

Directors of Lumut Maritime Terminal Sdn. Bhd.  
Dato' Azian Bin Osman  
Dato' Mohd Azmi Bin Hj Othman  
Datuk Mohd Hisham Bin Ab Halim  
Datuk Redza Rafiq Bin Abdul Razak  
Mohammad Zahir Bin Ismail  
Dato' Dr Aminuddin Bin Md Hanfiah  
YB Dato' Hj Samsudin Bin Abu Hassan  
Tn Hj Zainal Abidin Shah Bin Mahamood @ Yahya

(appointed 1 June 2024)  
(resigned on 1 June 2024)  
(resigned on 25 Sept 2024)

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### DIRECTORS (CONTINUED)

The names of directors of the Company's subsidiaries who served during the financial year and during the period from the end of the financial year to the date of the report are as follows (continued):

Directors of PCB Leisure Sdn. Bhd., Casuarina Teluk Intan Sdn. Bhd., Casuarina Boathouse Sdn. Bhd., Lanai Casuarina Sdn. Bhd. and Labu Sayong Cafe Sdn. Bhd.

Wan Mahathir Bin Mohamad Esa

Rosmin Bin Mohamed

Rusnidar Binti Samsudin

(appointed on 8 March 2024)

(resigned on 8 March 2024)

Directors of Casuarina Taiping Sdn. Bhd.

Wan Mahathir Bin Mohamad Esa

Chew Jia Yieng

Directors of Meru Raya Park Sdn. Bhd.

Mat Radzi Bin Awang @ Hanafiah

Wan Mahathir Bin Mohamad Esa

Directors of BioD Leisure & Recreation Sdn. Bhd.

Rosmin Bin Mohamed

Mukhriz Bin Che Murad

Rusnidar Binti Samsudin

(resigned on 8 March 2024)

Directors of Rungkup Port Sdn. Bhd.

Datuk Redza Rafiq Bin Abdul Razak

Rosmin Bin Mohamed

Directors of LMT Capital Sdn. Bhd.

Tn Hj Zainal Abidin Shah Bin Mahamood @ Yahya

Datuk Redza Rafiq Bin Abdul Razak

Directors of Silveritage Corporation Sdn. Bhd. and Cash Complex Sdn. Bhd.

Rosmin Bin Mohamed

Mukhriz Bin Che Murad

Rusnidar Binti Samsudin

(resigned on 8 March 2024)

Directors of PCB Land Sdn. Bhd. (formerly known as Casuarina Pangkor Sdn Bhd)

Datuk Redza Rafiq Bin Abdul Razak

Rosmin Bin Mohamed



PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### PRINCIPAL ACTIVITIES

The principal activities of the Company are that of property and investment holding, real property development and provision of management services. The principal activities of the subsidiaries and associates are shown in Notes 15 and 16 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

### FINANCIAL RESULTS

	GROUP RM'000	COMPANY RM'000
Net profit/(loss) for the financial year ended 31 December 2024	<u>16,792</u>	<u>(13,843)</u>
Attributable to:		
Owners of the Company	2,786	(13,843)
Non-controlling interests	<u>14,006</u>	<u>0</u>
	<u>16,792</u>	<u>(13,843)</u>

### DIVIDENDS

No dividend has been paid or declared since the end of the Company's previous financial year. The directors do not recommend the payment of any dividend for the financial year ended 31 December 2024.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

### DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016 in Malaysia, none of the directors who held office at the end of the financial year held any interest in shares in, or debentures of, the Company or every other body corporate, being the Company's subsidiary or holding company or a subsidiary of the Company's holding company during the financial year.

DIRECTORS' REPORT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has received or become entitled to receive any benefit (other than directors' remuneration as disclosed in the "Directors' Remuneration" of this report) by reason of a contract made by the Company or a related corporation 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 except for any benefits which may be deemed to arise from transactions entered into in the ordinary course of business with companies in which certain directors have substantial financial interests as disclosed in Note 27 to the financial statements.

Neither during nor at the end of the financial year was the Group or the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' REMUNERATION

The details of the directors' remuneration paid or payable to the directors of the Company during the financial year are as follows:

	GROUP RM'000	COMPANY RM'000
Fees	1,005	438
Salaries, bonuses and other benefits	445	137
	<u>1,450</u>	<u>575</u>

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS OR AUDITORS

A subsidiary maintains a Directors' and Officers' Liability Insurance which provides appropriate insurance cover for the directors and key management personnel of the said subsidiary. The amount of insurance premium paid by the said subsidiary for the financial year ended 31 December 2024 amounted to approximately RM26,092.

The Company provides a Directors' and Officers' Liability Insurance for its directors and key management personnel effective August 2023. The amount of insurance premium paid by the Company for the said insurance for the financial year ended 31 December 2024 amounted to approximately RM49,999. Other than as disclosed above, there are no other indemnities have been given to or insurance effected for any other directors, officers or auditors of the Company and its subsidiaries during the financial year and during the period from the end of the financial year to the date of this report.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### ULTIMATE HOLDING CORPORATION

The ultimate holding corporation is Perbadanan Kemajuan Negeri Perak, a body corporate established under Perak Enactment No. 3, 1967.

### 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 all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, which were unlikely to realise 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.

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

- (a) which would render the amounts written off for bad debts or the amount of allowance for doubtful debts inadequate to any substantial extent; 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) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate considering that the financial statements of the Group and of the Company are prepared on non-going concern.

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; or
- (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 affect the ability of the Group and of the Company to meet their obligations when they fall due.

At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Company which would render any amount stated in the respective financial statements misleading.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### OTHER STATUTORY INFORMATION (CONTINUED)

In the opinion of the directors:

- (a) except as disclosed in Note 33 to the financial statements, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

### SUBSIDIARIES

Details of the subsidiaries of the Company are set out in Note 15 to the financial statements.

### SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events occurred during the financial year are disclosed in Note 33 to the financial statements.

### MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL YEAR

Material events subsequent to the financial year end are disclosed in Note 34 to the financial statements.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

DIRECTORS' REPORT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

AUDITORS

The auditors, Crowe Malaysia PLT, have expressed their willingness to continue in office.

The details of the auditors' remuneration for the financial year are as follows:

	GROUP RM'000	COMPANY RM'000
Audit fees	624	180
Non-audit fees	<u>191</u>	<u>191</u>
	<u>815</u>	<u>371</u>

This report was approved by the Board of Directors on 30 April 2025. Signed on behalf of the Board of Directors.

DATUK REDZA RAFIQ BIN ABDUL RAZAK  
DIRECTOR

FAIZUL HILMY BIN AHMAD ZAMRI  
DIRECTOR

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

**STATEMENT BY DIRECTORS PURSUANT TO  
SECTION 251(2) OF THE COMPANIES ACT 2016**

We, Datuk Redza Rafiq Bin Abdul Razak and Faizul Hilmy Bin Ahmad Zamri, being two of the directors of Perak Corporation Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 18 to 123 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and the financial performance of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 30 April 2025.

DATUK REDZA RAFIQ BIN ABDUL RAZAK  
DIRECTOR

FAIZUL HILMY BIN AHMAD ZAMRI  
DIRECTOR

**STATUTORY DECLARATION PURSUANT TO  
SECTION 251(1)(b) OF THE COMPANIES ACT 2016**

I, Chew Jia Yieng, being the officer primarily responsible for the financial management of Perak Corporation Berhad, do solemnly and sincerely declare that the financial statements set out on pages 18 to 123 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

CHEW JIA YIENG

Subscribed and solemnly declared by the abovenamed, Chew Jia Yieng (NRIC No.: 771023-08-7248) before me at Ipoh, in the State of Perak Darul Ridzuan, Malaysia on 30 April 2025.

COMMISSIONER FOR OATHS

AZNOL RIZAL BIN FATAHAL KARIM  
License Number: A264



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK CORPORATION BERHAD**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

### **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

#### **Opinion**

We have audited the financial statements of Perak Corporation Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 18 to 123.

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 2024, and of their financial performance and their cash flows for the financial 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 audit 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"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK CORPORATION BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

## 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 and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. The liquidity position and the implications to going concern (Refer to Note 2 - Basis of preparation, Note 23 - Loans and borrowings, Note 29.2(d) - Liquidity risk, Note 33 - Significant events during the financial year and Note 34 - Material events subsequent to the end of the current financial year)	
Key Audit Matter	How Our Audit Addressed the Key Audit Matter
<p>As disclosed in Note 2 to the financial statements - Basis of Preparation, certain lenders of the Group had declared events of default and cross default on certain loans and borrowings following the failure of the Group in making principal loan repayment in the previous financial years. As a result, loans and borrowings with default and cross default clauses were reclassified from non-current liabilities to current liabilities in the previous financial year.</p> <p>As at 31 December 2024, the total loans and borrowings of the Group and of the Company amounted to RM144.0 million (2023: RM120.0 million) and RM44.4 million (2023: RM43.3 million) respectively, constituted about 44.7% and 16.2% of the total liabilities of the Group and of the Company.</p> <p>In addition, out of the total loans and borrowings of the Group and of the Company, RM52.0 million (2023: RM65.8 million) and RM42.3 million (2023: RM0.9 million) are due repayable on demand or within 1 year respectively.</p> <p>As at 31 December 2024, the Group's and the Company's current liabilities exceeded their current assets by RM40.2 million (2023: RM30.7 million) and RM187.5 million (2023: RM134.3 million) respectively. This indicated that the Group and the Company do not have sufficient liquidity to meet their obligations and commitments as and when they fall due and when they become repayable over the next 12 months from the reporting date.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Reviewed and evaluated the appropriateness of management's basis to prepare the Group and the Company's financial statements on a non-going concern; and</li> <li>Reviewed and assessed the appropriateness of disclosure in the financial statements especially on matters which require the exercise of judgements and use of estimates when preparing the financial statements on a non-going concern basis;</li> </ul> <p>Based on the work performed, we concurred with the directors' conclusion that the basis of preparation for the financial statements of the Group and the Company is on a non-going concern basis.</p> <p>No other material exception was noted.</p>

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PERAK CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

**Key Audit Matters (Cont'd)**

<b>1. The liquidity position and the implications to going concern (Cont'd)</b> (Refer to Note 2 - Basis of preparation, Note 23 - Loans and borrowings, Note 29.2(d) - Liquidity risk, Note 33 - Significant events during the financial year and Note 34 - Material events subsequent to the end of the current financial year)	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>The Directors determined that the Group and the Company were unable to declare that they were solvent pursuant to paragraph 9.19A of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Main Market Listing Requirements. The trigger of the prescribed criteria under paragraph 2.1 (f) of the Practice Note 17 ("PN 17") where the Company was declared a PN 17 company on 11 February 2020 remains valid as at 31 December 2024. The Group's submission of its regularisation plan to Bursa Malaysia was due on 9 February 2025. On 7 February 2025, the Company submitted a further extension of time application to Bursa Malaysia of six (6) months i.e. up to 9 August 2025 to submit the Company's regularisation plan to the relevant regulatory authorities, where Bursa Malaysia has on 20 February 2025 granted the six (6) months extension. The Group's ability to settle the loans and borrowings is subject to the implementation of the regularisation plan to strengthen its financial position including the shareholders' equity, gearing, net asset position, cash flow position, and address its accumulated losses position.</p> <p>The Directors prepared the financial statements of the Group and of the Company as a non-going concern. The basis of preparation on non-going concern is described in Note 2 to the financial statements along with the resultant impacts to the respective financial statements' line items.</p> <p>This is considered a key audit matter as the assessment of the Group's liquidity position and its ability to continue as a going concern affect the basis of preparation of the financial statements.</p>	

# INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK CORPORATION BERHAD (CONT'D)

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

## Key Audit Matters (Cont'd)

<b>2. The carrying amounts of non-financial assets</b>	
(Refer to Note 11 - Property, plant and equipment, Note 12 - Right-of-use assets, Note 13 - Port facilities, Note 14 - Investment properties and Note 18 - Intangible assets)	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>As at 31 December 2024, the carrying amounts of non-financial assets are as follows:</p> <ul style="list-style-type: none"> <li>- property, plant and equipment: RM73.5 million;</li> <li>- right-of-use assets: RM87.8 million;</li> <li>- port facilities: RM213.2 million;</li> <li>- investment properties: RM6.7 million; and</li> <li>- intangible assets: RM24.2 million</li> </ul> <p>The management carried out an impairment assessment on the above mentioned non-financial assets. The impairment assessment involved significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the recoverable amount which is the higher of fair value less cost of disposal ("FVLCD") or forced sale value ("FSV"), where appropriate and value-in-use ("VIU"), taking into consideration the basis of preparation as a non-going concern.</p> <p>This is considered a key audit matter due to the significant carrying amounts and the inherent subjectivity that is involved in making judgement in relation to the impairment assessment.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Assessed the objectivity, competence and experience of the independent professional valuers;</li> <li>• Obtained an understanding of the methodology adopted by the independent professional valuers and assessed if the methodology used is consistent with industry practices;</li> <li>• Reviewed management's estimate of the recoverable amounts and tested the cash flow forecasts for their accuracy;</li> <li>• Evaluated the appropriateness and reasonableness of the key assumptions by taking into consideration the past performances;</li> <li>• Performed sensitivity analysis over the key assumptions to understand the impact of changes over the recoverable amounts; and</li> <li>• Reviewed the adequacy of disclosure in the financial statements.</li> </ul> <p>Based on the work performed, no material exception noted.</p>

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PERAK CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

**Key Audit Matters (Cont'd)**

<b>3. Recoverable amounts for property development costs</b> (Refer to Note 19 - Inventories)	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>As at 31 December 2024, the carrying amounts of property development costs of the Group and of the Company included as part of inventories amounted to RM101.6 million and RM83.3 million respectively.</p> <p>The management performed an assessment to establish the lower of cost and net realisable value for the property development costs. The assessment involved significant judgements and there is inherent uncertainty in the assumptions applied by the management to determine the net realisable value.</p> <p>This is considered a key audit matter due to its significant balance and the inherent subjectivity that is involved in making judgement in relation to the assessment.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>Assessed the objectivity, competence and experience of the independent professional valuers;</li> <li>Obtained an understanding of the methodology adopted by the independent professional valuers and assessed if the methodology used is consistent with industry practices; and</li> <li>Reviewed the adequacy of disclosure in the financial statements.</li> </ul> <p>Based on the work performed, no material exception noted.</p>

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
PERAK CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

**Key Audit Matters (Cont'd)**

<b>4. Adequacy of expected credit loss allowance for doubtful debts and financial guarantee contracts</b>	
(Refer to Note 20 - Receivables, deposits and prepayments, Note 24 - Payables and accrued liabilities and Note 32 - Financial guarantee contracts)	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>As at 31 December 2024, third party trade receivables, other receivables and other related parties of the Group and of the Company amounted to approximately RM27.8 million and RM0.02 million respectively.</p> <p>As at 31 December 2024, the values of corporate guarantees issued to associated companies and subsidiaries amounted to approximately RM24.7 million and RM72.8 million respectively.</p> <p>The management applied the expected credit loss ("ECL") model to determine the extent of ECL allowance required as at 31 December 2024.</p> <p>This is considered a key audit matter due to the inherent subjectivity that is involved in making significant judgements and critical estimates made by the management to determine the level of ECL allowance.</p>	<p>We performed the following audit procedures:</p> <ul style="list-style-type: none"> <li>• Enquired management's inputs and assumptions used when determining the ECL allowance;</li> <li>• Verified loan repayments by associated companies and subsidiaries in respect of financial guarantee contracts;</li> <li>• Evaluated the appropriateness and reasonableness of the key assumptions used in the ECL model and tested its mathematical accuracy;</li> <li>• Tested the accuracy of the ageing profiles against supporting documents on a sample basis;</li> <li>• Evaluated the adequacy of impairment losses provided; and</li> <li>• Reviewed the adequacy of disclosure in the financial statements.</li> </ul> <p>Based on the work performed, no material exception noted.</p>



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

### **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 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

### **Auditors' Responsibilities for the Audit of the Financial Statements (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 scepticism 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 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.
- 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.

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK CORPORATION BERHAD (CONT'D)**

(Incorporated in Malaysia)

Registration No: 199101000605 (210915-U)

### **Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)**

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.

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 MATTERS**

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.

**Crowe Malaysia PLT**  
201906000005 (LLP0018817-LCA) & AF 1018  
Chartered Accountants

Kuala Lumpur

**Chan Kuan Chee**  
02271/10/2025 J  
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

		GROUP		COMPANY	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
REVENUE	4	153,884	160,651	0	0
COST OF SALES		(69,798)	(74,527)	0	0
GROSS PROFIT		84,086	86,124	0	0
Administrative expenses		(60,784)	(55,549)	(13,048)	(12,581)
Other income		4,702	10,238	10	4,225
Other expenses		(9)	(79)	0	0
Net gain on disposal of a deemed acquired subsidiary	26	1,793	0	0	0
Reversal of impairment losses/(Net impairment losses)/on:					
- receivables		1,767	(789)	(4,426)	(4,029)
- financial guarantee contracts		1,891	247	6,034	3,611
OPERATING PROFIT/(LOSS)	5	33,446	40,192	(11,430)	(8,774)
Finance costs	8	(5,786)	(8,139)	(2,413)	(2,847)
PROFIT/(LOSS) BEFORE TAX		27,660	32,053	(13,843)	(11,621)
Tax expense	9	(10,868)	(12,664)	0	0
NET PROFIT/(LOSS) FOR THE FINANCIAL YEAR		16,792	19,389	(13,843)	(11,621)
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR, NET OF TAX		0	0	0	0
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR		16,792	19,389	(13,843)	(11,621)
NET PROFIT/(LOSS)/TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO:					
Owners of the Company		2,786	2,859	(13,843)	(11,621)
Non-controlling interests		14,006	16,530	0	0
		16,792	19,389	(13,843)	(11,621)
Profit per share attributable to equity holders of the parent (sen)					
Basic/Diluted	10	2.79	2.86		

The accompanying notes form an integral part of these financial statements.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2024

		GROUP		COMPANY	
	Note	2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	11	73,549	72,957	45	51
Right-of-use assets	12	87,826	88,771	2,828	3,771
Port facilities	13	213,151	151,567	0	0
Investment properties	14	6,740	7,022	0	0
Investments in subsidiaries	15	0	0	98,099	98,099
Other investments	17	25	25	0	0
Intangible assets	18	24,212	24,433	0	0
Inventories	19	10,428	10,428	0	0
		<u>415,931</u>	<u>355,203</u>	<u>100,972</u>	<u>101,921</u>
<b>CURRENT ASSETS</b>					
Inventories	19	105,977	95,813	83,253	75,522
Receivables, deposits and prepayments	20	33,525	47,651	458	368
Current tax assets		2,073	131	143	128
Other investments	17	129	126	46	45
Deposits, cash and bank balances	21	33,224	41,260	22	142
		<u>174,928</u>	<u>184,981</u>	<u>83,922</u>	<u>76,205</u>
<b>TOTAL ASSETS</b>		<u><u>590,859</u></u>	<u><u>540,184</u></u>	<u><u>184,894</u></u>	<u><u>178,126</u></u>
<b>EQUITY</b>					
Share capital	22	272,770	272,770	272,770	272,770
Accumulated losses		<u>(174,917)</u>	<u>(177,703)</u>	<u>(361,383)</u>	<u>(347,540)</u>
Equity attributable to owners of the Company		97,853	95,067	(88,613)	(74,770)
Non-controlling interests		171,118	162,112	0	0
<b>TOTAL EQUITY</b>		<u><u>268,971</u></u>	<u><u>257,179</u></u>	<u><u>(88,613)</u></u>	<u><u>(74,770)</u></u>
<b>LIABILITIES</b>					
<b>NON-CURRENT LIABILITIES</b>					
Loans and borrowings	23	91,997	54,119	2,110	42,402
Deferred tax liabilities	25	14,760	13,211	7	7
		<u>106,757</u>	<u>67,330</u>	<u>2,117</u>	<u>42,409</u>
<b>CURRENT LIABILITIES</b>					
Loans and borrowings	23	52,030	65,834	42,258	911
Payables and accrued liabilities	24	161,204	146,872	229,132	209,576
Current tax liabilities		1,897	2,969	0	0
		<u>215,131</u>	<u>215,675</u>	<u>271,390</u>	<u>210,487</u>
<b>TOTAL LIABILITIES</b>		<u><u>321,888</u></u>	<u><u>283,005</u></u>	<u><u>273,507</u></u>	<u><u>252,896</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>590,859</u></u>	<u><u>540,184</u></u>	<u><u>184,894</u></u>	<u><u>178,126</u></u>

The accompanying notes form an integral part of these financial statements.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Issued and fully paid <u>share capital</u> RM'000	Accumulated <u>losses</u> RM'000	<u>Total</u> RM'000	Non- controlling <u>interest</u> RM'000	Total <u>equity</u> RM'000
<u>GROUP</u>					
At 1.1.2024	272,770	(177,703)	95,067	162,112	257,179
<u>Total comprehensive income</u> <u>for the financial year</u>					
Net profit for the financial year	0	2,786	2,786	14,006	16,792
<u>Total transactions with</u> <u>owners, recognised directly</u> <u>in equity</u>					
Dividends paid by a subsidiary to non-controlling interests	0	0	0	(5,000)	(5,000)
At 31.12.2024	272,770	(174,917)	97,853	171,118	268,971
At 1.1.2023	272,770	(180,562)	92,208	150,582	242,790
<u>Total comprehensive income</u> <u>for the financial year</u>					
Net profit for the financial year	0	2,859	2,859	16,530	19,389
<u>Total transactions with</u> <u>owners, recognised directly</u> <u>in equity</u>					
Dividends paid by a subsidiary to non-controlling interests	0	0	0	(5,000)	(5,000)
At 31.12.2023	272,770	(177,703)	95,067	162,112	257,179

The accompanying notes form an integral part of these financial statements.



PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

	Issued and fully paid <u>share capital</u> RM'000	Accumulated <u>losses</u> RM'000	<u>Total</u> RM'000
<u>COMPANY</u>			
At 1.1.2024	272,770	(347,540)	(74,770)
<u>Total comprehensive expenses for the financial year</u>			
Net loss for the financial year	0	(13,843)	(13,843)
At 31.12.2024	<u>272,770</u>	<u>(361,383)</u>	<u>(88,613)</u>
At 1.1.2023	272,770	(335,919)	(63,149)
<u>Total comprehensive expenses for the financial year</u>			
Net loss for the financial year	0	(11,621)	(11,621)
At 31.12.2023	<u>272,770</u>	<u>(347,540)</u>	<u>(74,770)</u>

The accompanying notes form an integral part of these financial statements.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
OPERATING CASH FLOWS				
Net profit/(loss) for the financial year	16,792	19,389	(13,843)	(11,621)
Adjustments for:				
Amortisation of computer software	356	911	0	0
Depreciation				
- property, plant and equipment	3,799	4,706	17	13
- right-of-use assets	1,105	1,155	943	943
- port facilities	7,049	5,848	0	0
- investment properties	282	283	0	0
Property, plant and equipment written off	0	325	0	0
Inventories written down	0	25	0	0
Impairment losses				
- property, plant and equipment	9	24	0	0
- amount due from ultimate holding corporation	1,523	920	0	6
- amount due from subsidiaries	0	0	4,856	4,044
- amount due from fellow subsidiaries	12	22	0	1
- amount due from related parties	0	645	0	0
- other receivables	150	278	0	0
- trade receivables	320	314	0	0
Operating cash flows carried forward	<u>31,397</u>	<u>34,845</u>	<u>(8,027)</u>	<u>(6,614)</u>

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
OPERATING CASH FLOWS (CONTINUED)				
Operating cash flows brought forward	31,397	34,845	(8,027)	(6,614)
Adjustments for:				
Dividend income	(1)	(1)	0	0
Fair value gain on financial assets measured at fair value at profit or loss				
- other investment	(3)	(5)	(1)	(2)
Net gain on disposal of a deemed acquired subsidiary	(1,793)	0	0	0
Gain on disposal of property, plant and equipment	0	(72)	0	0
Gain on disposal of a leasehold land held for development	0	(2,244)	0	0
Gain on lease modification	0	(3)	0	0
Interest income	(462)	(945)	(9)	(18)
Reversal of allowance for impairment losses				
- property, plant and equipment	(933)	0	0	0
- right-of-use assets	(160)	0	0	0
- amount due from ultimate holding corporation	(2,811)	(42)	0	0
- amount due from a former subsidiary	(198)	(156)	(198)	(22)
- amount due from a fellow subsidiary	(415)	(111)	(232)	0
- trade receivables	(148)	(1,037)	0	0
- other receivables	(200)	(44)	0	0
- financial guarantee contracts	(1,891)	(247)	(6,034)	(3,611)
Reversal of inventories previously written down	(1,192)	0	0	0
Waiver of interest expense	0	(1,461)	0	0
Waiver of penalty	0	(4,199)	0	(4,199)
Finance costs	5,786	8,139	2,413	2,847
Tax expense	10,868	12,664	0	0
	<u>37,844</u>	<u>45,081</u>	<u>(12,088)</u>	<u>(11,619)</u>
Changes in working capital:				
Inventories	(8,972)	(636)	(7,731)	(210)
Receivables	5,793	(10,927)	(90)	331
Related parties	2,870	906	0	0
Payables	21,117	8,898	22,218	4,898
	<u>20,808</u>	<u>(1,759)</u>	<u>14,397</u>	<u>5,019</u>
Cash flows generated from/(for) operation	58,652	43,322	2,309	(6,600)
Tax paid	(12,333)	(12,825)	(14)	(53)
Net operating cash flow carried forward	<u>46,319</u>	<u>30,497</u>	<u>2,295</u>	<u>(6,653)</u>

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net operating cash flow carried forward	46,319	30,497	2,295	(6,653)
INVESTING CASH FLOWS				
Purchase of property, plant and equipment	(2,568)	(2,529)	(11)	(51)
Purchase of port facilities	(68,880)	(13,261)	0	0
Purchase of computer software	(135)	(237)	0	0
Proceeds from disposals				
- property, plant and equipment	0	100	0	0
- leasehold land held for development	0	4,051	0	0
Repayment from/(Advances) to related parties	6,693	(11,180)	(4,426)	(2,460)
Dividend income received	1	1	0	0
Interest received	462	795	9	18
Net cash outflow on disposal of a deemed acquired subsidiary	(461)	0	0	0
Net investing cash flow	(64,888)	(22,260)	(4,428)	(2,493)
FINANCING CASH FLOWS				
Dividends paid to non-controlling interests	(5,000)	(5,000)	0	0
Withdrawal/(Placement) of deposits with licensed banks with maturity of more than 3 months	14,035	(5,389)	0	0
Placement of pledged deposits with licensed banks	(6)	(5)	0	0
Drawdown of business financing-i and cash line-i	0	51	0	0
Net drawdown of term financing	26,045	0	0	0
Repayment of hire purchase and finance lease liabilities	0	(696)	0	0
Repayment of term financing	0	(5,720)	0	0
Repayment of revolving credits	(5,000)	(91)	0	(89)
Interest paid	(2,906)	(6,727)	(209)	(261)
(Repayment to)/Advances from related parties	(2,542)	(171)	2,222	9,216
Net financing cash flow	24,626	(23,748)	2,013	8,866
Net change in cash and cash equivalents	6,057	(15,511)	(120)	(280)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	14,658	30,169	136	416
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (Note 21)	20,715	14,658	16	136

The accompanying notes form an integral part of these financial statements.

**PERAK CORPORATION BERHAD**  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

**STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

Changes in liabilities arising from financing activities

	As at 1 January RM'000	Proceeds from drawdown RM'000	Repayments RM'000	Changes in overdraft RM'000	Non-cash changes RM'000	Penalty and other charges RM'000	Interest expense RM'000	Interest paid RM'000	Waiver of penalty RM'000	As at 31 December RM'000
<b>2024</b>										
<b>GROUP</b>										
Loans and borrowings	119,593	26,045	(5,000)	0	213	0	6,082	(2,906)	0	144,027
<b>COMPANY</b>										
Loans and borrowings	43,313	0	0	0	(911)	0	2,175	(209)	0	44,368
<b>2023</b>										
<b>GROUP</b>										
Loans and borrowings	127,955	51	(6,507)	(4)	885	2,699	5,440	(6,727)	(4,199)	119,593
<b>COMPANY</b>										
Loans and borrowings	44,919	0	(89)	0	97	0	2,846	(261)	(4,199)	43,313

The accompanying notes form an integral part of these financial statements.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

### 1 GENERAL INFORMATION

The principal activities of the Company are that of property and investment holding, real property development and provision of management services. The principal activities of the subsidiaries and associates are shown in Notes 15 and 16 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

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 address of the registered office of the Company is as follows:

Registered office  
No. 1 Jalan Lasam  
30350 Ipoh  
Perak Darul Ridzuan

The address of the principal place of business of the Company is as follows:

No. 1-A, Blok B, Menara PKNP  
Jalan Meru Casuarina  
Bandar Meru Raya  
30020 Ipoh  
Perak Darul Ridzuan

### 2 BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under material accounting policy information, and in compliance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 2 BASIS OF PREPARATION (CONTINUED)

The Group reported profit after tax of RM16.8 million (2023: RM19.4 million) for the financial year ended 31 December 2024 and as at that date, the Group's and the Company's current liabilities exceeded its current assets by RM40.2 million (2023: RM30.7 million) and RM187.5 million (2023: RM134.3 million) respectively. As at 31 December 2024, deposits, cash and bank balances of the Group and the Company totalled RM33.2 million and RM0.02 million respectively and borrowing due repayment over the next 12 months after reporting date totalled RM52.0 million and RM42.3 million respectively.

The financial statements of the Group and the Company are prepared on a non-going concern basis. There has been no change in the basis of preparation since the previous financial year. As part of the regularisation efforts, management have initiated a private debt settlement arrangement and has executed debt settlement agreements with bankers. At the date of this report, certain terms and conditions precedent of the debt settlements are pending fulfillment.

On 9 August 2024, Bursa Malaysia Securities Berhad ("Bursa Malaysia") extended the regularisation plan submission dateline to 9 February 2025. On 7 February 2025, the Company submitted a further extension of time application to Bursa Malaysia of six (6) months i.e. up to 9 August 2025 to submit the Company's regularisation plan to the relevant regulatory authorities. On 20 February 2025, Bursa Malaysia has resolved to grant the Company for a further extension of time of six (6) months up to 9 August 2025 to submit its regularisation plan to the relevant regulatory authorities for approval.

The key chronological events are laid out below with the key determinants considered by directors in concluding on the above basis of preparation.

#### Key chronological events

##### *Default of syndicated term loan by Animation Theme Park Sdn. Bhd.*

On 26 September 2019, Animation Theme Park Sdn. Bhd. ("ATP"), a direct 51% owned subsidiary of PCB Development Sdn. Bhd. ("PCB Development"), which in turn is a wholly owned subsidiary of the Company, defaulted on a RM25.7 million principal repayment of its syndicated term loan of RM245.1 million representing the principal amount drawn down and interest due at the event of default. Subsequently, on 16 October 2019, Affin Hwang Investment Bank ("AHIB"), the facility agent declared an event of default had occurred and gave notice within 14 days from the day of its letter to effect payment of RM25.7 million, failing which all secured obligations due from ATP shall become immediately due and payable. Consequently, in addition to the syndicated term loan of RM245.1 million mentioned above, included in bank borrowings classified as "current liabilities" as at 31 December 2019 are borrowings totalling RM191.8 million with cross default provision under different financing facilities undertaken by companies within the Group which are now repayable on demand.

##### *Appointment of receiver and manager*

On 4 December 2019, following ATP's failure to meet the demand for the principal repayment of RM25.7 million for the syndicated term loan, AHIB appointed a receiver and manager over the property of ATP. The carrying amount of ATP's charged assets totalled RM87.8 million, was classified as 'assets held for sale' under current assets as at 31 December 2019. On 28 January 2020, receiver and manager of ATP decided to close the operation of ATP's Theme Park.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

Key chronological events (continued)

*Demand of full payment from PCB Development Sdn. Bhd. of the syndicated Term Loan pursuant to the Corporate Guarantee*

On 18 December 2019, AHIB demanded from PCB Development the payment of RM244 million together with interest accrued thereon on the date of full repayment pursuant to the Corporate Guarantee dated 10 July 2014 executed by PCB Development in favour of AHIB for the syndicated term loan provided to ATP.

*Event of default declared on the Company*

On 6 February 2020, Affin Islamic Bank Berhad ("AIB") declared an event of default on the Company arising from its failure to pay the scheduled principal repayment due of RM3.3 million on 31 January 2020 for the outstanding credit facilities of RM75.9 million representing the principal amount drawn down and interest due as at the date of the event of default relating to Musharakah Mutanaqisah Term Financing-i and Tawarruq Revolving Credit-i.

*Declaration of PN17 status by the Company*

After taking into consideration the Group's cash flow position vis-a-vis its total debt obligations payable and the available cash flow then, the directors had, on 11 February 2020, determined that the Company was unable to declare that it was solvent pursuant to paragraph 9.19A of the Main Market Listing Requirements. As a result of this and the above defaults on the various loan repayments, the Company was declared a PN 17 company after triggering the prescribed criteria under paragraph 2.1 (f) of the PN 17. As a result of the COVID-19 pandemic, Bursa Malaysia had announced temporary relief on 26 March 2020 whereby the Company has 24 months to submit its regularisation plan to Bursa Malaysia from the date it was first announced as PN 17 Company, which was due on 11 February 2022. On 28 February 2022, Bursa Malaysia had decided to grant the Company an extension of time up to 10 August 2022 to submit its regularisation plan. On 2 September 2022, Bursa Malaysia had decided to grant the Company an extension of time up to 10 February 2023 to submit its regularisation plan to the relevant regulatory authorities. On 13 April 2023, Bursa Malaysia extended the regularisation plan submission dateline to 9 August 2023. At the date of the authorisation of the financial statement for financial year 2022, management is in the midst of formulating a proposed regularisation plan.

*Cross defaults declared on the Company and PCB Taipan Sdn. Bhd.*

Following the declaration of an event of default by AIB for the credit facilities extended to the Company and the Company's declaration being a PN 17 company, CIMB Bank Berhad ("CIMB") had on 28 February 2020 declared an event of cross default in respect of the Revolving Credit Facilities of RM60.0 million and RM30.0 million granted to the Company and its subsidiary, PCB Taipan Sdn. Bhd. ("PCB Taipan") respectively and demanded full payment of RM91.3 million representing the principal amount drawn down and interest due as at the date of the event of default within 14 days from 28 February 2020.

*Proposed Scheme of Arrangement with Non-Financial Institutions creditors*

On 23 July 2020, the High Court of Malaya in Ipoh, Perak Darul Ridzuan granted the Company and its wholly owned subsidiary, PCB Development (collectively "the Scheme Companies") to convene a Secured Creditor's Meeting (hereinafter "the Court Convened Creditors' Meeting") pursuant to Section 366 of the Companies Act 2016 (hereinafter "the Act") for the purpose of taking into account and if deemed appropriate, to approve with or without modification, a proposed scheme of arrangement and compromise between the Applicant and its Secured Creditors ("the Scheme Creditors") within ninety (90) days from 23 July 2020.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

Key chronological events (continued)

*Extensions of time granted for the Proposed Scheme Arrangement with Non-Financial Institutions Creditors*

On 19 October 2020, the High Court of Malaya in Ipoh, Perak Darul Ridzuan granted the Scheme Companies further extension of 90 days from 19 October 2020 to convene the Court Convened Creditors' Meeting pursuant to Section 366 of the Companies Act 2016. On 8 January 2021, the Court Convened Creditors' Meetings for the Non-Financial Institutions creditors and Direct Financial Institutions creditors of the Company, Corporate Guarantee Financial Institutions and Non-Financial Institutions creditors of PCB Development were adjourned. On 13 January 2021, the High Court of Malaya in Ipoh, Perak granted a further extension of the Restraining Order for a period of ninety (90) days and a period of one hundred eighty (180) days from 13 January 2021 to convene a new Court Convened Creditors' Meeting with the Scheme Creditors pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed Scheme of Arrangement.

On 9 April 2021, the Scheme Companies obtained another extension for the restraining order pursuant to Section 366 and 368 of the Companies Act 2016 from the High Court of Malaya at Ipoh granting the Scheme Companies additional time of ninety (90) days to finalise the proposed scheme of arrangement and compromise between the Scheme Companies and the Scheme Creditors pursuant to Section 366 of the Companies Act 2016.

*Approvals of the Scheme of Arrangement by the Non-Financial Institutions Creditors and the Court*

On 19 April 2021, the Company and PCB Development obtained the approval from their respective Non-Financial Institutions creditors for an Explanatory Statement, together with the Notice to convene the meetings of the new scheme creditors, comprising of unsecured creditors other than the banks and financial institution ("New Scheme Creditors") issued on 26 March 2021, pursuant to the provisions of Section 366 of the Companies Act 2016 for the purpose of considering the Proposed New Scheme of Arrangement ("PNSA"), to the New Scheme Creditors pursuant to the Section 366 and other relevant provisions of the Companies Act 2016.

On 7 May 2021, the High Court had approved and sanctioned the Proposed Scheme of Arrangement as detailed in the Explanatory Statement dated 26 March 2021 and the sealed order granted thereof had been extracted on 11 May 2021 following an application made by the Scheme Companies pursuant to Section 366(3), (4), (5), (6) and (7) of the Companies Act 2016 for the sanction and approval of the Proposed Scheme of Arrangement. The Proposed Scheme of Arrangement shall be binding on the Scheme Companies and the New Scheme Creditors.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

Key chronological events (continued)

*Proposed Private Debt Settlements with Financial Institutions*

On 8 November 2021, the Company had entered into debt settlement agreements with AIB and CIMB for the proposed debt settlement of debts owing by the Company via:

- (a) cash settlement from the compensation amount payable for the acquisition by the Federal Government of Malaysia of all piece of leasehold land held under H.S.(D) 932771, PT 279467 in the Mukim of Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan currently owned by Perak Corp to be undertaken pursuant to the Land Acquisition Act, 1960 ("Government Acquisition"); and
- (b) issuance of up to 35,814,980 redeemable cumulative preference shares ("RPS") at an issue price of RM1.00 per RPS.

The proposed debt settlement and proposed amendments to the Constitution of the Company to facilitate the issuance of RPS under the proposed private debt settlement were approved by the shareholders of the Company during the Extraordinary General Meeting held on 31 January 2022. Following the shareholders' approval, the RPS to AIB and CIMB had been allotted on 31 January 2022.

The Government Acquisition was completed on 4 October 2022 and the compensation received from the Government Acquisition has been utilised as payment for cash settlement to AIB and CIMB as per the debt settlement agreements.

The Company has on 11 September 2023 entered into a supplemental agreement to the CIMB debt settlement agreement dated 8 November 2021 with CIMB to amend, modify, substitute, vary and alter the terms and conditions of the CIMB debt settlement agreement.

On 15 September 2023, PCB Taipan has entered into a debt settlement agreement with CIMB to settle the amount outstanding due and payable by PCB Taipan to CIMB which stood at RM29,303,617.18 based on the amount outstanding as at 31 December 2022 and includes continuing interest, costs, charges and expenses under the Facility Agreement dated 23 July 2012 from 1 January 2023 to full payment and/or repayment of all amounts due and owing under the Facility Agreement to CIMB.

Prior to the mandatory full redemption on the third anniversary of the issuance of the RPS, CIMB, via its letter dated 10 January 2025, approved the Company's request to redeem the RPS-A1 together with all accrued and unpaid dividends by 30 September 2025. Similarly, AIB, through its letter dated 27 January 2025, agreed to grant an extension of time until 30 September 2025 for Perak Corp to fully redeem the RPS-A2, inclusive of cumulative compounded gross preferential dividends accruing at 5% per annum up to 31 January 2-25 and 8% per annum thereafter until the RPS-A2 maturity date. The Company intends to utilise the proceeds from land monetisation under the Proposed Regularisation Plan to fully redeem both RPS-A1 and RPS-A2.

At the date of this report, certain terms and conditions precedent outlined in the Company's supplemental agreement to the CIMB debt settlement agreement are pending fulfilment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 2 BASIS OF PREPARATION (CONTINUED)

#### Key chronological events (continued)

##### *Creditor's Voluntary Winding-Up of PCB Development Sdn. Bhd.*

On 20 December 2021, the Company announced that PCB Development is undergoing a Creditors' Voluntary Winding where Mr Andrew Heng and Ms Anoopal Kaur of Baker Tilly Insolvency PLT have been appointed as the Interim Liquidators of PCB Development to commence the Creditors' Voluntary Winding Up proceedings pursuant to Section 440(1) of the Companies Act 2016. The meetings of the PCB Development shareholders and the creditors of PCB Development are scheduled to be held within thirty (30) days from 20 December 2021.

On 6 January 2022, a meeting of PCB Development and a meeting of creditors of PCB Development were held, Mr Andrew Heng and Ms Anoopal Kaur of Baker Tilly Insolvency PLT ("Liquidators") have been appointed as the Joint and Several Liquidators of PCB Development by way of a resolution of its members and creditors. As a result, the Liquidators has assumed control of PCB Development's business undertakings and all powers of the directors and management now vest in the Liquidators.

The Creditors' Voluntary Winding Up is necessary in view of PCB Development's inability to address and resolve all debts owing to its creditors. The shareholder of PCB Development has resolved to not provide further financial assistance to PCB Development. As such, PCB Development cannot by reason of its liabilities to continue business as usual.

The assets of PCB Development to be realised by the Liquidators will be utilised to settle all the unsecured creditors not settled under the approved and sanction Scheme of Arrangement, including the syndicated term loan lenders.

As the Company lost control of PCB Development and its subsidiary, ATP, the Company derecognised the assets and liabilities of these former subsidiaries from the consolidated statement of financial position as at 20 December 2021 and recognised the gain associated with the loss of control attributable to the former controlling interest.

On 17 January 2024, the Creditors' Voluntary Winding Up of PCB Development has been set aside by the High Court of Kuala Lumpur ("the said Decision") via the Originating Summons No. WA-28PW-317-07/2022 dated 27 June 2022 by Affin Hwang Investment Bank Berhad, Affin Bank Berhad, Bank Pembangunan Malaysia Berhad and Malaysia Debt Ventures Berhad ("Applicants") against PCB Development and Liquidators ("Respondents"). On 27 February 2024, stay of the said Decision was refused by the High Court.

Following the stay of the said Decision was refused by the High Court, the Company has the power to direct the relevant activities of PCB Development and in accordance with MFRS 10, PCB Development is therefore, deemed as a subsidiary of the Company for accounting purpose effective from 28 February 2024.

On 29 March 2024, the Company entered into a Share Sale and Purchase Agreement in relation to disposal of 100% shares and interest in PCB Development on a willing buyer-willing seller and on a "as is where is" basis to Rescene Sdn Bhd for a purchase price of RM1.00. The transaction was completed on the same day. The decision to dispose of PCB Development was made after careful consideration and thorough evaluation of PCB Development's significant negative financial standing, its non-going concern status and the creditors' voluntary winding-up.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

*Regularisation Plan*

The submission of its regularisation plan to Bursa Malaysia was due on 10 February 2024. The Company had on 9 February 2024 submitted an application to Bursa Malaysia for an extension of time for a period of 12 months up to 9 February 2025. On 9 May 2024, Bursa Malaysia extended the regularisation plan submission dateline to 10 August 2024.

On 9 August 2024, the Company submitted a further extension of time application to Bursa Malaysia for a period of ten (10) months up to 10 June 2025 to submit the Company's regularisation plan to the relevant regulatory authorities. On 17 September 2024, Bursa Malaysia has resolved to grant the Company a further extension of six (6) months up to 9 February 2025 to submit its regularisation plan to the relevant regulatory authorities.

On 7 February 2025, the Company submitted a further extension of time application to Bursa Malaysia for a period of six (6) months up to 9 August 2025 to submit the Company's regularisation plan to the relevant regulatory authorities. On 20 February 2025, Bursa Malaysia has resolved to grant the Company for a further extension of time of six (6) months up to 9 August 2025 to submit its regularisation plan to the relevant regulatory authorities for approval.

On 18 February 2025, the Company has made a requisite announcement to undertake the proposed regularisation plan ("Proposed Regularisation Plan") to regularise its financial condition in accordance with Paragraph 8.04(3) of the Main Market Listing Requirements of Bursa Malaysia. The Company is in the final stages of preparation and is progressing towards the submission of the Proposed Regularisation Plan to the relevant authorities.

Key determinants in arriving at the basis of preparation of the financial statements on a non-going concern basis

The main determinant to resolve the Group's and the Company's non-going concern issue is the ability of the Group and of the Company to repay their loans and borrowings with the financial institutions. As at 31 December 2024, the total loans and borrowings of the Group and of the Company amounted to RM144.0 million (2023: RM120.0 million) and RM44.4 million (2023: RM43.3 million) respectively, constituted about 44.7% and 16.2% of the total liabilities of the Group and of the Company.

In addition, out of the total loans and borrowings of the Group and of the Company, RM52.0 million (2023: RM65.8 million) and RM42.3 million (2023: RM0.9 million) are due repayable on demand or within 1 year respectively.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

Key determinants in arriving at the basis of preparation of the financial statements on a non-going concern basis (continued)

The bank and cash position of the Group and of the Company as at 31 December 2024 of RM33.2 million and RM0.02 million respectively, together with the projected cash inflows to be generated from the on-going projects undertaken by the entities within the Group are insufficient to settle the loans and borrowings due for repayment on demand or within 1 year.

The Group's ability to settle the loans and borrowings is subject to the implementation of the regularisation plan to strengthen its financial position including the shareholders' equity, gearing, net asset position, cash flow position, and address its accumulated losses position.

As the Company is in the final stages of preparing and progressing towards the submission of the Proposed Regularisation Plan to Bursa Malaysia, and given that the Proposed Regularisation Plan remains subject to regulatory approval as at the date of this report, the directors are of the view that the Group and the Company are unable to realise their assets and discharging their liabilities and obligations in the normal course of business. The directors are of the view that the Group's and the Company's ability to continue its operations and business had been significantly curtailed since the previous financial year and continued to be curtailed up to the date of this report. In view of this, the directors continued to prepare the consolidated financial statements of the Group and the financial statements of the Company for the financial year ended 31 December 2024 on a non-going concern basis. Consequently, the directors applied the requirements of paragraph 25 of MFRS 101 "Presentation of Financial Statements" which states that *"...When an entity does not prepare financial statements on a going concern basis, it shall disclose that fact, together with the basis on which it prepared the financial statements and the reason why the entity is not regarded as a going concern."*

Basis of measurement

Accordingly, the effect of this is as follows:

- Assets are written down to their recoverable amounts based on conditions existing at the reporting date, taking into consideration the specific circumstances affecting the Group and the Company as disclosed above. This includes realisation of assets through forced sale transactions, where applicable;
- Assets are classified as current when these are expected to be recovered within twelve months from the reporting period, considering the liquidity constraints and obligations of the Group and of the Company that would fall due within the next twelve months;
- Liabilities are recorded in accordance with the accounting policies. Provision for future restructuring costs are recognised only when the Group and the Company have a present obligation that is evidenced by a detailed formal plan for restructuring and has raised a valid expectation in those affected that it will carry out the restructuring; and
- Liabilities are classified as current if the liability is due to be settled within twelve months after the reporting period of the Group and the Company do not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

- 2.1 During the current financial year, the Group and the Company have adopted the following new accounting standards and/or interpretations (including the consequential amendments, if any):-

**MFRSs and/or IC Interpretations (Including The Consequential Amendments)**

Amendments to MFRS 16: Lease Liability in a Sale and Leaseback

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

Amendments to MFRS 101: Non-current Liabilities with Covenants

Amendments to MFRS 107 and MFRS 7: Supplier Finance Arrangements

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) did not have any material impact on the financial statements of the Group and of the Company.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

- 2.2 The Group and the Company have not applied in advance the following accounting standards and/or interpretations (including the consequential amendments, if any) that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:-

<b>MFRSs and/or IC Interpretations (Including The Consequential Amendments)</b>	<b>Effective Date</b>
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 9 and MFRS 7: Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to MFRS 9 and MFRS 7: Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred
Amendments to MFRS 121: Lack of Exchangeability	1 January 2025
Annual Improvements to MFRS Accounting Standards – Volume 11	1 January 2026

The adoption of the above accounting standards and/or interpretations (including the consequential amendments, if any) is expected to have no material impact on the financial statements of the Group and of the Company upon their initial application except as follows:-

MFRS 18 'Presentation and Disclosure in Financial Statements' will replace MFRS 101 'Presentation of Financial Statements' upon its adoption. This new standard aims to enhance the transparency and comparability of financial information by introducing new disclosure requirements. Specifically, it requires that income and expenses be classified into 3 defined categories: "operating", "investing" and "financing" and introduces 2 new subtotals: "operating profit or loss" and "profit or loss before financing and income tax". In addition, MFRS 18 requires the disclosure of management-defined performance measures and set out principles for the aggregation and disaggregation of information, which will apply to all primary financial statements and the accompanying notes. The statement of financial position and the statement of cash flows will also be affected. The Group and the Company are currently assessing the impact of implementing this new standard.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

*Key Sources of Estimation Uncertainty*

Management believes that there are no key assumptions made concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year other than as disclosed below:

(a) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Company anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(b) Impairment of Goodwill

The assessment of whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which the goodwill is allocated. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows.

(c) Impairment of Property, Plant and Equipment, Right-of-use Assets, Port Facilities, Investment Properties and Intangible Assets

The Group and the Company determine whether an item of its property, plant and equipment, right-of-use assets, port facilities, investment properties and intangible is impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows, if required. For discounted cash flows, significant judgement is required in the estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

*Key Sources of Estimation Uncertainty (Continued)*

(d) Impairment of Non-Trade Receivables

The loss allowances for non-trade financial assets are based on assumptions about risk of default (probability of default) and expected loss if a default happens (loss given default). It also requires the Group to assess whether there is a significant increase in credit risk of the non-trade financial asset at the reporting date. The Group uses judgement in making these assumptions and selecting appropriate inputs to the impairment calculation, based on the past payment trends, existing market conditions and forward-looking information.

(e) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Company recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax balances in the period in which such determination is made.

(f) Discount Rates used in Leases

Where the interest rate implicit in the lease cannot be readily determined, the Group uses the incremental borrowing rate to measure the lease liabilities. The incremental borrowing rate is the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. Therefore, the incremental borrowing rate requires estimation particularly when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs when available and is required to make certain entity-specific estimates.

*Critical Judgements Made in Applying Accounting Policies*

Management believes that there are no instances of application of critical judgement in applying the accounting policies of the Group and of the Company which will have a significant effect on the amounts recognised in the financial statements other than as disclosed below:-

(a) Classification between Investment Properties and Owner-occupied Properties

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

*Critical Judgements Made in Applying Accounting Policies (Continued)*

(b) Lease Terms

Some leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. In determining the lease term, management considers all facts and circumstances including the past practice and any cost that will be incurred to change the asset if an option to extend is not taken. An extension option is only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

(c) Contingent Liabilities

The recognition and measurement for contingent liabilities are based on management's view of the expected outcome on contingencies after consulting legal counsel for litigation cases and experts, for matters in the ordinary course of business.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.2 FINANCIAL INSTRUMENTS

(a) Financial Assets

Financial Assets Through Profit or Loss

The financial assets are initially measured at fair value. Subsequent to the initial recognition, the financial assets are remeasured to their fair values at the reporting date with fair value changes recognised in profit or loss. The fair value changes do not include interest and dividend income.

Financial Assets at Amortised Cost

The financial assets are initially measured at fair value plus transaction costs except for trade receivables without significant financing component which are measured at transaction price only. Subsequent to the initial recognition, all financial assets are measured at amortised cost less any impairment losses.

(b) Financial Liabilities

Financial Liabilities at Amortised Cost

The financial liabilities are initially measured at fair value less transaction costs. Subsequent to the initial recognition, the financial liabilities are measured at amortised cost.

(c) Equity

Ordinary Shares

Ordinary shares are recorded on initial recognition at the proceeds received less directly attributable transaction costs incurred. The ordinary shares are not remeasured subsequently.

(d) Financial Guarantee Contracts

Financial guarantee contracts are recognised initially as liabilities at fair value, net of transaction costs. Subsequent to the initial recognition, the financial guarantee contracts are recognised as income in profit or loss over the period of the guarantee or, when there is no specific contractual period, recognised in profit or loss upon discharge of the guarantee. If the debtor fails to make payment relating to a financial guarantee contract when it is due and the Company and the Group, as the issuer, is required to reimburse the holder for the associated loss, the reimbursement is recognised as a liability and measured at the higher of the amount of loss allowance determined using the expected credit loss model and the amount of financial guarantee initially recognised less cumulative amortisation.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.3 GOODWILL

Goodwill is initially measured at cost. Subsequent to the initial recognition, the goodwill is measured at cost less accumulated impairment losses, if any. A bargain purchase gain is recognised in profit or loss immediately.

3.4 INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries which are eliminated on consolidation, are stated in the separate financial statements of the Company at cost less impairment losses, if any.

3.5 INVESTMENTS IN ASSOCIATES

Investments in associates are stated in the separate financial statements of the Company at cost less impairment losses, if any, and accounted for using the equity method in the consolidated financial statements.

3.6 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost.

Subsequent to the initial recognition, all property, plant and equipment, other than freehold land and buildings, are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land is not depreciated. Depreciation on other property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over the estimated useful lives. The principal annual depreciation rates are:-

	%
Buildings and improvements	2 - 10
Equipment, furniture and fittings	10 - 20
Computers	20
Motor vehicles	20
Refurbishment and renovations	10

Assets under construction are carried as 'capital work in progress' and depreciation only commences when the assets are ready for their intended use.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.7 PORT FACILITIES

Port facilities are stated at cost less accumulated depreciation and accumulated impairment losses, if applicable.

All expenditure incurred, associated with development of port facilities inclusive of interest cost capitalised in accordance with MFRS 123 are amortised on a straight-line basis to write off the cost of the assets over their estimated useful lives.

The principal annual rates of depreciation are as follows:

	%
Port structure	2
Port equipment	10 - 20

Leasehold port land is presented as 'right-of-use assets' in the statements of financial position. This right-of-use asset is amortised over the lease periods of 80 and 99 years.

Assets under construction are carried as 'capital work in progress' and depreciation only commences when assets are ready for their intended use.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.8 INVESTMENT PROPERTIES

Investment properties, comprising principally land and office buildings are held for long term rental yields or for capital appreciation or both, and are not substantially occupied by the Group. Cost also includes professional fees for legal services, property transfer taxes and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset.

After initial recognition, investment property is stated at cost less any accumulated depreciation and impairment losses.

Freehold land is not depreciated as it has an infinite life. Investment properties are depreciated on the straight line basis to allocate the cost to their residual values over their estimated useful lives, summarised as follows:

	Years
Commercial property	50

3.9 INTANGIBLE ASSETS

Computer software license

Acquired computer software license is initially stated at cost. The cost of computer software license initially recognised includes its purchase price and any cost that is directly attributable to bringing the software to the location and condition necessary for it to be capable of operating in the manner intended by management. The purchase price is amortised from the point at which the asset is ready for use on a straight line basis over the useful life of 5 years.

After initial recognition, computer software license is stated at cost less accumulated depreciation and accumulated impairment losses, if applicable.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.10 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

(a) Short-term Leases and Leases of Low-value Assets

The Group and the Company apply the “short-term lease” and “lease of low-value assets” recognition exemption. For these leases, the Group and the Company recognise the lease payments as an operating expense on a straight-line method over the term of the lease unless another systematic basis is more appropriate.

(b) Right-of-use Assets

Right-of-use assets are initially measured at cost. Subsequent to the initial recognition, the right-of-use assets are stated at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities.

The right-of-use assets are depreciated using the straight-line method from the commencement date to the earlier of the end of the estimated useful lives of the right-of-use assets or the end of the lease term.

(c) Lease Liabilities

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the entities’ incremental borrowing rate. Subsequent to the initial recognition, the lease liabilities are measured at amortised cost and adjusted for any lease reassessment or modifications.

3.11 INVENTORIES

Inventories are stated at the lower of cost and net realisable value.

(a) Completed properties

The cost of completed properties is stated at the lower of historical cost and net realisable value. Historical cost includes, where relevant, cost associated with the acquisition of land, including all related costs incurred subsequent to the acquisition necessary to prepare the land for its intended case, related development costs to projects, direct building costs and other costs of bringing the inventories to present location and condition.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.11 INVENTORIES (CONTINUED)

(b) Land held for property development

The cost of land held for property development is stated at the lower of cost and net realisable value. It consists of the purchase price of the land, professional fees, stamp duties, commissions, conversion fees, other relevant levies and direct development cost incurred in preparing the land for development.

Land held for property development for which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle, is classified as non-current asset.

Land held for property development is transferred to property development costs (under current assets) when development activities have commenced and where development activities can be completed within the Group's normal operating cycle.

(c) Property development costs

Cost is determined based on a specific identification basis. Property development costs comprising costs of land, land enhancement costs, direct materials, direct labour, other direct costs, attributable overheads and payments to subcontractors that meet the definition of inventories are recognised as an asset and are stated at the lower of cost and net realisable value.

The property development costs are subsequently recognised as an expense in the statements of comprehensive income when or as the control of the asset is transferred to the customer.

Property development costs for which work has been undertaken and development activities are expected to be completed within the Group's normal operating cycle, is classified as current asset.

(d) Hotel operating supplies

Cost is determined using the first-in, first-out method and comprises food and beverage, printing and stationeries and guestroom supplies.

(e) Other inventories

Other inventories comprise tools, spares and supplies and the cost is determined using the first-in, first-out method.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.12 REVENUE RECOGNITION

Revenue which represents income arising in the course of the Group's ordinary activities is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Group transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Group and its customer has approved the contract and intend to perform their respective obligations, the Group's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Group will collect the consideration to which it will be entitled to in exchange of those goods or services.

Revenue from contracts with customers is measured at its transaction price, being the amount of consideration which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, net of estimated returns, discounts, commissions, rebates and taxes. Discounts and rebates are measured using the most likely amount method and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

When the Group has performed by transferring goods or services to a customer before the customer pays consideration or before payment is due, the contract is presented as a receivable. A contract asset is the right to consideration in exchange for goods or services that the Group has transferred to a customer when that right is conditioned on future performance other than the passage of time. The Group's obligation to transfer goods or services to a customer for which the Group has received consideration in advance from customer is presented as contract liability.

Costs that are incremental to obtaining a contract shall be recognised as an asset if the Group expects to recover those costs. Costs to obtain a contract that would have been incurred regardless of whether the contract was obtained shall be recognised as an expense when incurred, unless those costs are explicitly chargeable to the customer regardless of whether the contract is obtained.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.12 REVENUE RECOGNITION (CONTINUED)

Specific revenue recognition criteria for each of the Group's activities are as described below:

(a) Hotel operations

Revenue from hotel operations comprising rental of hotel rooms, hall and office, sale of food and beverages and other related income are recognised when the services are provided.

(b) Port services

Revenue from port services (including operations and maintenance services) is recognised in profit or loss as and when services are rendered.

(c) Rental income

Rental income is recognised on a straight-line basis over the term of the lease. The aggregate cost of incentives provided to lessees is recognised as a reduction of rental income over the lease term on a straight-line basis.

(d) Sale of land/completed properties

Revenue from sales of land/completed properties is recognised at the point in time when the control of the land/properties is transferred to the buyers without any significant contractual acts to complete.

(e) Revenue from restaurant operations

Revenue from restaurant operations comprising sale of food and beverages. The revenue is recognised upon delivery of the food and beverages to the customers.

(f) Management fees

Management fees in respect of the management services provided by the Group are recognised when the services are provided.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.12 REVENUE RECOGNITION (CONTINUED)

(g) Sale of properties under development

For sale of properties under development, the directors consider whether the contract comprises a contract to construct a property or a contract for the sale of a completed property and whether the financial outcome of the development activity can be reliably estimated.

Where a contract is judged to be for the construction of a property, revenue is recognised using the percentage of completion method.

Where the contract is judged to be for the sale of a completed property, revenue is recognised when the control of the property is transferred to the buyer. If, however, the legal terms of the contract are such that the construction represents the continuous transfer of work in progress to the purchaser, the percentage-of-completion method of revenue recognition is applied and revenue is recognised as work progresses.

Continuous transfer of work in progress is applied when:

- (i) The buyer controls the work in progress, typically when the land on which the development takes place is owned by the final customer; and
- (ii) All significant risks and rewards of ownership of the work in progress in its present state are transferred to the buyer as construction progresses, typically, when buyer cannot put the incomplete property back to the Group.

In such situations, the percentage of work completed is measured based on the costs incurred up until the end of the reporting period as a proportion of total costs expected to be incurred.

3.13 OTHER INCOME

(a) Dividend income

Dividend income is recognised when the right to receive payment is established.

(b) Interest income

Interest income is recognised on a time proportion basis that reflects the effective yield on the asset.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

4 REVENUE

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>Revenue from contracts with customers:</u>				
Hotel revenue - rooms and halls	10,344	10,626	0	0
Restaurants, food and beverages	11,865	11,447	0	0
Port services	129,605	136,627	0	0
Management services	436	404	0	0
	<u>152,250</u>	<u>159,104</u>	<u>0</u>	<u>0</u>
<u>Revenue from other sources:</u>				
Rental income - premises	1,634	1,547	0	0
Total revenue	<u>153,884</u>	<u>160,651</u>	<u>0</u>	<u>0</u>
<u>Timing of revenue recognition:</u>				
Goods sold at a point in time	14,724	15,024	0	0
Services rendered over time	139,160	145,627	0	0
	<u>153,884</u>	<u>160,651</u>	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 OPERATING PROFIT/(LOSS)

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Operating profit/(loss) is stated after charging/(crediting):				
Auditors' remuneration paid/payable:				
- Statutory audit	624	615	180	180
- Non-audit fees	191	186	191	186
Amortisation of computer software	356	911	0	0
Depreciation:				
- Property, plant and equipment	3,799	4,706	17	13
- Port facilities	7,049	5,848	0	0
- Investment properties	282	283	0	0
- Right-of-use assets	1,105	1,155	943	943
Directors' fees and remuneration (Note 7)	1,450	1,170	575	543
Employee benefits expense (Note 6)	48,138	45,709	6,501	7,857
Impairment losses:				
- Property, plant and equipment	9	24	0	0
Lease expenses for short term leases and low value assets	126	136	0	0
Loss on foreign exchange (realised)	0	5	0	0
Property, plant and equipment written off	0	325	0	0
Inventories written down	0	25	0	0

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 OPERATING PROFIT/(LOSS) (CONTINUED)

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Operating profit/(loss) is stated after charging/(crediting): (continued)				
Interest income from:				
- Amount due from associates	0	(150)	0	0
- Fixed deposits	(462)	(795)	(9)	(18)
Dividend income	(1)	(1)	0	0
Gain on disposal of a leasehold land held for development	0	(2,244)	0	0
Gain on disposal of property, plant and equipment	0	(72)	0	0
Gain on foreign exchange (realised)	(18)	0	0	0
Gain on lease modification	0	(3)	0	0
Fair value gain on financial assets measured at fair value through profit or loss	(3)	(5)	(1)	(2)
Rental income from leasing of buildings	(165)	(168)	0	0
Reversal of impairment loss on property, plant and equipment	(933)	0	0	0
Reversal of impairment loss on right-of-use assets	(160)	0	0	0
Reversal of inventories previously written down	(1,192)	0	0	0
Reversal of impairment loss on financial guarantee contracts	(1,891)	(247)	(6,034)	(3,611)
Waiver of interest expense	0	(1,461)	0	0
Waiver of penalty	0	(4,199)	0	(4,199)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

5 OPERATING PROFIT/(LOSS) (CONTINUED)

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Operating profit/(loss) is stated after charging/(crediting): (continued)				
Included in net impairment losses/ (reversal of impairment losses) of receivables are:				
Impairment losses:				
- Trade receivables	320	314	0	0
- Other receivables	150	278	0	0
- Amount due from ultimate holding corporation	1,523	920	0	6
- Amount due from subsidiaries	0	0	4,856	4,044
- Amount due from fellow subsidiaries	12	22	0	1
- Amount due from related parties	0	645	0	0
Reversal of impairment losses:				
- Trade receivables	(148)	(1,037)	0	0
- Other receivables	(200)	(44)	0	0
- Amount due from ultimate holding corporation	(2,811)	(42)	0	0
- Amount due from fellow subsidiaries	(415)	(111)	(232)	0
- Amount due from a former subsidiary	(198)	(156)	(198)	(22)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

6 EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Salaries and wages	36,351	34,343	5,024	6,764
Employees Provident Fund contributions	4,234	4,015	735	910
Social security contributions and employment insurance systems contributions	477	449	63	74
Other staff related expenses	7,076	6,902	679	109
	<u>48,138</u>	<u>45,709</u>	<u>6,501</u>	<u>7,857</u>

7 DIRECTORS' FEES AND REMUNERATION

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Directors of the Company:				
- salaries and other emoluments	137	141	137	141
- fees	438	402	438	402
	<u>575</u>	<u>543</u>	<u>575</u>	<u>543</u>
Directors of the subsidiaries:				
- salaries and other emoluments	308	53	0	0
- fees	567	574	0	0
	<u>875</u>	<u>627</u>	<u>0</u>	<u>0</u>
	<u>1,450</u>	<u>1,170</u>	<u>575</u>	<u>543</u>

There is no monetary value of benefits-in-kind given to the directors of the Group and of the Company during the current financial year.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

8 FINANCE COSTS

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expenses				
- penalty from revolving credit	0	2,699	0	0
- advances from ultimate holding corporation	238	0	238	0
- hire purchase and finance lease liabilities	273	245	209	261
- revolving credits	2,432	2,200	0	713
- term loans	979	1,079	0	0
- redeemable cumulative preference shares	1,966	1,873	1,966	1,873
- overdraft and other borrowings	432	403	0	0
	<u>6,320</u>	<u>8,499</u>	<u>2,413</u>	<u>2,847</u>
Recognised in profit or loss	5,786	8,139	2,413	2,847
Capitalised in qualifying assets				
- property, plant and equipment	420	360	0	0
- port facilities	114	0	0	0
	<u>6,320</u>	<u>8,499</u>	<u>2,413</u>	<u>2,847</u>

The average capitalisation rate for borrowing costs of the Group is 5.51% to 6.72% (2023: 6.72%) per annum.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

9 TAX EXPENSE

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Current tax expense	9,693	12,371	0	0
(Over)/ Under provision of Malaysian income tax in prior year	(374)	108	0	0
Real Property Gain Tax	0	237	0	0
	<u>9,319</u>	<u>12,716</u>	<u>0</u>	<u>0</u>
Deferred tax (Note 25):				
Relating to origination and reversal of temporary differences	1,549	(68)	0	0
Underprovision of deferred tax in prior year	0	16	0	0
	<u>1,549</u>	<u>(52)</u>	<u>0</u>	<u>0</u>
Tax expense	<u>10,868</u>	<u>12,664</u>	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

9 TAX EXPENSE (CONTINUED)

A reconciliation of income tax expense applicable to the profit/(loss) before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax	27,660	32,053	(13,843)	(11,621)
Tax calculated at the Malaysian income tax rate of 24% (2023: 24%)	6,638	7,693	(3,322)	(2,789)
Tax effects of:				
- expenses not deductible for tax purposes	3,306	4,815	902	1,058
- income not subject to tax	(3,008)	(2,293)	(1,492)	(1,876)
- deferred tax assets not recognised	4,559	3,077	3,912	3,607
- utilisation of deferred tax assets previously not recognised	(253)	(989)	0	0
- real property gain tax	0	237	0	0
- under/(over)provision of Malaysian income tax in prior year	(374)	108	0	0
- underprovision of deferred tax in prior year	0	16	0	0
Tax expense	10,868	12,664	0	0

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2023 - 24%) of the estimated assessable profit for the financial year. The taxation of other jurisdictions is calculated at the rates prevailing in the respective jurisdiction.

10 PROFIT PER SHARE

Basic profit per share of the Group is calculated by dividing the net profit for the financial year attributable to owners of the Company by the weighted average number of ordinary shares in issue during the financial year.

	GROUP	
	<u>2024</u>	<u>2023</u>
Net profit for the financial year attributable to owners of the Company (RM'000)	2,786	2,859
Weighted average number of ordinary shares in issue during the financial year ('000)	100,000	100,000
Basic profit per share (sen)	2.79	2.86

No diluted loss per share calculated as the Company does not have potential convertible shares.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**11 PROPERTY, PLANT AND EQUIPMENT**

GROUP	Freehold land RM'000	Buildings and improvements RM'000	Equipment, furniture and fittings computers RM'000	Motor vehicles RM'000	Refurbishment and renovations RM'000	Capital work-in- progress RM'000	Total RM'000
<u>COST</u>							
At 1.1.2024	8,305	84,638	45,767	4,612	5,332	20,948	169,602
Additions	0	0	1,604	11	0	1,491	3,106
Reclassification from port facilities	0	0	361	0	0	0	361
Written off	0	0	0	0	0	(3,426)	(3,426)
At 31.12.2024	8,305	84,638	47,732	4,623	5,332	19,013	169,643
<u>ACCUMULATED DEPRECIATION</u>							
At 1.1.2024	0	12,947	35,772	2,809	4,582	0	56,110
Depreciation for the financial year	0	1,209	1,789	456	345	0	3,799
At 31.12.2024	0	14,156	37,561	3,265	4,927	0	59,909

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP	Freehold land RM'000	Buildings and improvements RM'000	Equipment, furniture and fittings and computers RM'000	Motor vehicles RM'000	Refurbishment and renovations RM'000	Capital work-in- progress RM'000	Total RM'000
<u>ACCUMULATED IMPAIRMENT LOSSES</u>							
At 1.1.2024	0	22,430	4,682	0	128	13,295	40,535
Impairment loss for the financial year	0	0	9	0	0	0	9
Reversal of impairment loss for the financial year	0	(738)	(195)	0	0	0	(933)
Written off	0	0	0	0	0	(3,426)	(3,426)
At 31.12.2024	0	21,692	4,496	0	128	9,869	36,185
<u>CARRYING AMOUNT</u>							
At 31.12.2024	8,305	48,790	5,675	1,358	277	9,144	73,549

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

GROUP	Freehold land RM'000	Buildings and improvements RM'000	Equipment, furniture and fittings and computers RM'000	Motor vehicles RM'000	Refurbishment and renovations RM'000	Capital work-in- progress RM'000	Total RM'000
<u>COST</u>							
At 1.1.2023	8,305	84,910	45,554	3,571	5,332	20,116	167,788
Additions	0	53	661	1,343	0	832	2,889
Disposal	0	0	0	(205)	0	0	(205)
Written off	0	(325)	(448)	(97)	0	0	(870)
At 31.12.2023	8,305	84,638	45,767	4,612	5,332	20,948	169,602

ACCUMULATED DEPRECIATION

At 1.1.2023	0	11,662	33,943	2,737	3,784	0	52,126
Depreciation for the financial year	0	1,285	2,277	346	798	0	4,706
Disposal	0	0	0	(177)	0	0	(177)
Written off	0	0	(448)	(97)	0	0	(545)
At 31.12.2023	0	12,947	35,772	2,809	4,582	0	56,110

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

GROUP	Freehold land RM'000	Buildings and improvements RM'000	Equipment, furniture and fittings and computers RM'000	Motor vehicles RM'000	Refurbishment and renovations RM'000	Capital work-in- progress RM'000	Total RM'000
<u>ACCUMULATED IMPAIRMENT LOSSES</u>							
At 1.1.2023	0	22,430	4,658	0	128	13,295	40,511
Impairment loss for the financial year	0	0	24	0	0	0	24
At 31.12.2023	0	22,430	4,682	0	128	13,295	40,535
<u>CARRYING AMOUNT</u>							
At 31.12.2023	8,305	49,261	5,313	1,803	622	7,653	72,957



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Equipment, furniture and fittings RM'000	Motor vehicles RM'000	Total RM'000
<u>COMPANY</u>			
<u>COST</u>			
At 1.1.2024	916	268	1,184
Additions for the financial year	11	0	11
At 31.12.2024	927	268	1,195
<u>ACCUMULATED DEPRECIATION</u>			
At 1.1.2024	865	268	1,133
Depreciation for the financial year	17	0	17
At 31.12.2024	882	268	1,150
<u>CARRYING AMOUNT</u>			
At 31.12.2024	45	0	45
<u>COST</u>			
At 1.1.2023	865	268	1,133
Additions for the financial year	51	0	51
At 31.12.2023	916	268	1,184
<u>ACCUMULATED DEPRECIATION</u>			
At 1.1.2023	852	268	1,120
Depreciation for the financial year	13	0	13
At 31.12.2023	865	268	1,133
<u>CARRYING AMOUNT</u>			
At 31.12.2023	51	0	51

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

- (a) During the financial year, property, plant and equipment of the Group and of the Company were acquired by means of:

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Addition of property, plant and equipment during the financial year	3,106	2,889	11	51
Less:				
Borrowing costs capitalised	(420)	(360)	0	0
Financed through hire purchase	(118)	0	0	0
Cash payments	<u>2,568</u>	<u>2,529</u>	<u>11</u>	<u>51</u>

- (b) At 31 December 2024, certain freehold land and buildings of the Group with a total carrying amounts of RM51,109,000 (2023: RM52,056,000) is charged to secure bank loans granted to the Group (see Note 23).
- (c) Included in the property, plant and equipment of the Group and of the Company was kitchen equipment held under hire purchase arrangement with a carrying amount of RM134,000 (2023: RM0). This asset has been pledged as security for the hire purchase payables of the Group as disclosed in Note 23(a) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

12 RIGHT-OF-USE ASSETS

GROUP	Leasehold port land RM'000	Leasehold land RM'000	Buildings and improvement RM'000	Motor vehicle RM'000	Total RM'000
<u>COST</u>					
At 1.1.2024	90,182	12,150	1,709	0	104,041
Written off	0	0	(172)	0	(172)
At 31.12.2024	90,182	12,150	1,537	0	103,869
<u>ACCUMULATED DEPRECIATION</u>					
At 1.1.2024	8,147	995	281	0	9,423
Depreciation for the financial year	995	103	7	0	1,105
Written off	0	0	(147)	0	(147)
At 31.12.2024	9,142	1,098	141	0	10,381
<u>ACCUMULATED IMPAIRMENT LOSSES</u>					
At 1.1.2024	0	4,911	936	0	5,847
Reversal of impairment loss for the financial year	0	(111)	(49)	0	(160)
Written off	0	0	(25)	0	(25)
At 31.12.2024	0	4,800	862	0	5,662
<u>CARRYING AMOUNT</u>					
At 31.12.2024	81,040	6,252	534	0	87,826
<u>COST</u>					
At 1.1.2023	90,182	12,150	1,709	204	104,245
Derecognition due to lease modification	0	0	0	(204)	(204)
At 31.12.2023	90,182	12,150	1,709	0	104,041
<u>ACCUMULATED DEPRECIATION</u>					
At 1.1.2023	7,152	893	274	85	8,404
Depreciation for the financial year	995	102	7	51	1,155
Derecognition due to lease modification	0	0	0	(136)	(136)
At 31.12.2023	8,147	995	281	0	9,423
<u>ACCUMULATED IMPAIRMENT LOSSES</u>					
At 1.1.2023/31.12.2023	0	4,911	936	0	5,847
<u>CARRYING AMOUNT</u>					
At 31.12.2023	82,035	6,244	492	0	88,771

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

12 RIGHT-OF-USE ASSETS (CONTINUED)

	<u>Buildings</u> RM'000
<u>COMPANY</u>	
<u>COST</u>	
At 1.1.2024/31.12.2024	5,657
<u>ACCUMULATED DEPRECIATION</u>	
At 1.1.2024	1,886
Depreciation for the financial year	943
At 31.12.2024	2,829
<u>CARRYING AMOUNT</u>	
At 31.12.2024	2,828
<u>COST</u>	
At 1.1.2023/31.12.2023	5,657
<u>ACCUMULATED DEPRECIATION</u>	
At 1.1.2023	943
Depreciation for the financial year	943
At 31.12.2023	1,886
<u>CARRYING AMOUNT</u>	
At 31.12.2023	3,771

The full lease rental of the leasehold port land of the Group has been prepaid at the inception of the lease with no outstanding lease liability as at 31 December 2024 and 31 December 2023. The plots of leasehold port land are amortised over the lease periods of 80 and 99 years.

At 31 December 2024, certain leasehold port land with a carrying amount RM53,997,000 (2023: RM54,601,000) and leasehold land of RM6,252,000 (2023: RM6,244,000) of the Group are charged to secured term loans granted to the subsidiaries (see Note 23(b) and (c)).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 PORT FACILITIES

	<u>Port structure</u>	<u>Port equipment</u>	<u>Capital work- in-progress</u>	<u>Total</u>
GROUP	RM'000	RM'000	RM'000	RM'000
<u>COST</u>				
At 1.1.2024	150,760	48,950	20,370	220,080
Additions	5,001	15,387	48,606	68,994
Reclassification	11,646	4,215	(15,861)	0
Reclassification to property, plant and equipment	0	0	(361)	(361)
At 31.12.2024	167,407	68,552	52,754	288,713
<u>ACCUMULATED DEPRECIATION</u>				
At 1.1.2024	41,781	26,732	0	68,513
Depreciation for the financial year	2,903	4,146	0	7,049
At 31.12.2024	44,684	30,878	0	75,562
<u>CARRYING AMOUNT</u>				
At 31.12.2024	122,723	37,674	52,754	213,151
<u>COST</u>				
At 1.1.2023	148,966	47,611	10,257	206,834
Additions	1,794	1,354	10,113	13,261
Written off	0	(15)	0	(15)
At 31.12.2023	150,760	48,950	20,370	220,080
<u>ACCUMULATED DEPRECIATION</u>				
At 1.1.2023	38,961	23,719	0	62,680
Depreciation for the financial year	2,820	3,028	0	5,848
Written off	0	(15)	0	(15)
At 31.12.2023	41,781	26,732	0	68,513
<u>CARRYING AMOUNT</u>				
At 31.12.2023	108,979	22,218	20,370	151,567

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

13 PORT FACILITIES (CONTINUED)

(a) During the financial year, port facilities of the Group and of the Company were acquired by means of:

	GROUP	
	<u>2024</u>	<u>2023</u>
	RM'000	RM'000
Addition of port facilities during the financial year	68,994	13,261
Less:		
Borrowing costs capitalised	(114)	0
Cash payments	<u>68,880</u>	<u>13,261</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

14 INVESTMENT PROPERTIES

	<u>Freehold land</u>	<u>Buildings</u>	<u>Total</u>
	RM'000	RM'000	RM'000
<u>GROUP</u>			
<u>COST</u>			
At 1.1.2024/31.12.2024	1,815	7,068	8,883
<u>ACCUMULATED DEPRECIATION</u>			
At 1.1.2024	0	1,861	1,861
Depreciation for the financial year	0	282	282
At 31.12.2024	0	2,143	2,143
<u>CARRYING AMOUNT</u>			
At 31.12.2024	1,815	4,925	6,740
<u>GROUP</u>			
<u>COST</u>			
At 1.1.2023/31.12.2023	1,815	7,068	8,883
<u>ACCUMULATED DEPRECIATION</u>			
At 1.1.2023	0	1,578	1,578
Depreciation for the financial year	0	283	283
At 31.12.2023	0	1,861	1,861
<u>CARRYING AMOUNT</u>			
At 31.12.2023	1,815	5,207	7,022

The above properties are not occupied by the Group and are used to either earn rentals or for capital appreciation, or both. As at 31 December 2024, the forced sale values of the properties of the Group was estimated at RM36,800,000 (2023: RM36,800,000) respectively based on valuations by independent professionally qualified valuers using market approach by reference to open market of properties in the vicinity and cost approach. The most significant input in the valuation approach adopted by the Group is price per square foot with adjustment made for size, shape of lot, tenure and time element.

The investment properties have been pledged to a licensed bank as security for banking facilities granted to the Group as disclosed in Note 23 to the financial statements.

PERAK CORPORATION BERHAD  
 (Registration no.: 199101000605 (210915-U))  
 (Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	<u>2024</u>	<u>2023</u>
	RM'000	RM'000
Unquoted shares, at cost	602	602
Equity loans to subsidiaries	97,997	97,997
	<u>98,599</u>	<u>98,599</u>
Less: Accumulated impairment losses	(500)	(500)
Carrying amount	<u>98,099</u>	<u>98,099</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Detail of the subsidiaries which are incorporated in Malaysia, are as follows:

<u>Name of subsidiaries</u>	<u>Effective interest held by the Company</u>		<u>Principal activities</u>
	<u>2024</u> %	<u>2023</u> %	
PCB Equity Sdn. Bhd.	100	100	Property development and project management.
PCB Leisure Sdn. Bhd.	100	100	Property investment and investment holding.
PCB Taipan Sdn. Bhd.	100	100	Investment holding.
Rungkup Port Sdn. Bhd.	70	70	Dormant.
PCB Land Sdn Bhd (formerly known as Casuarina Pangkor Sdn. Bhd.)	100	100	Dormant.
<u>Held by PCB Leisure Sdn. Bhd.</u>			
Casuarina Teluk Intan Sdn. Bhd.	100	100	Operation and management of hotel.
Casuarina Boathouse Sdn. Bhd.	100	100	Provision of accommodation facilities.
Casuarina Taiping Sdn. Bhd.	100	100	Operation and management of rest house.
Lanai Casuarina Sdn. Bhd.	100	100	Operation and management of hotel.
Meru Raya Park Sdn. Bhd.	100	100	Provision of maintenance and management services.
BioD Leisure & Recreation Sdn. Bhd.	100	100	Provision of transportation and travel services.
Labu Sayong Cafe Sdn. Bhd.	100	100	Was involved in operation and management of restaurant and cafe. Ceased operations.
<u>Held by PCB Taipan Sdn. Bhd.</u>			
Lumut Maritime Terminal Sdn. Bhd.	50 plus 1 share	50 plus 1 share	Development of an integrated privatised project encompassing ownership and operations of multi-purpose port facilities, operation and maintenance of a bulk terminal, sales and rental of port related land and other ancillary activities.
Casuarina Meru Sdn. Bhd.	89.54	89.54	Hotelier, restaurateur and property developer.
<u>Held by Lumut Maritime Terminal Sdn. Bhd.</u>			
LMT Capital Sdn. Bhd. *	50 plus 1 share	50 plus 1 share	Dormant.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

<u>Name of subsidiaries</u>	<u>Effective interest held by the Company</u>		<u>Principal activities</u>
	<u>2024</u> %	<u>2023</u> %	
<u>Held by Casuarina Meru Sdn. Bhd.</u>			
Silveritage Corporation Sdn. Bhd.	89.54	89.54	Development of tourism projects. Dormant.
<u>Held by Silveritage Corporation Sdn. Bhd.</u>			
Cash Complex Sdn. Bhd.	66.18	66.18	Investment holding. It has not commenced operation since its incorporation.

\* Although the Group has 50% effective ownership interest, the directors have determined that the Group controls LMT Capital Sdn. Bhd. as Lumut Maritime Terminal Sdn. Bhd. has 100% voting interest in LMT Capital Sdn. Bhd.

All subsidiaries are incorporated in Malaysia. The principal place of business of these subsidiaries is in Malaysia.

As at 31 December 2024, the total non-controlling interests are RM171,118,000 (2023: RM162,112,000), mainly attributed by the 2 (2023: 2) subsidiaries listed below. The other non-controlling interests are individually insignificant.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Set out below are the summarised financial information for the subsidiaries which have non-controlling interests that are material to the Group. The financial information below is based on amounts before intercompany eliminations.

(a) Summarised statements of financial position

	Lumut Maritime Terminal Sdn. Bhd.		Casuarina Meru Sdn. Bhd.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Non-current assets	310,085	249,324	58,710	60,268
Current assets	87,658	101,951	4,074	6,227
Total assets	<u>397,743</u>	<u>351,275</u>	<u>62,784</u>	<u>66,495</u>
Non-current liabilities	43,658	13,204	74	0
Current liabilities	16,304	18,760	11,260	12,909
Total liabilities	<u>59,962</u>	<u>31,964</u>	<u>11,334</u>	<u>12,909</u>
Net assets	<u>337,781</u>	<u>319,311</u>	<u>51,450</u>	<u>53,586</u>
Equity attributable to:				
Owners of the Company	168,891	159,656	46,068	47,981
Non-controlling interests	168,890	159,655	5,382	5,605
	<u>337,781</u>	<u>319,311</u>	<u>51,450</u>	<u>53,586</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) Summarised statements of comprehensive income

	Lumut Maritime Terminal Sdn. Bhd.		Casuarina Meru Sdn. Bhd.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Revenue	129,605	136,627	21,002	20,640
Profit/(loss) for the financial year	28,470	32,686	(2,133)	1,852
Total comprehensive income/(expenses)	<u>28,470</u>	<u>32,686</u>	<u>(2,133)</u>	<u>1,852</u>
Profit/(loss) attributable to:				
Owners of the Company	14,235	16,343	(1,907)	1,658
Non-controlling interests	14,235	16,343	(226)	194
	<u>28,470</u>	<u>32,686</u>	<u>(2,133)</u>	<u>1,852</u>
Total comprehensive Income/(expenses) attributable to:				
Owners of the Company	14,235	16,343	(1,907)	1,658
Non-controlling interests	14,235	16,343	(226)	194
	<u>28,470</u>	<u>32,686</u>	<u>(2,133)</u>	<u>1,852</u>
Dividend paid to non- controlling interests	<u>5,000</u>	<u>5,000</u>	<u>0</u>	<u>0</u>

(c) Summarised statements of cash flows

	Lumut Maritime Terminal Sdn. Bhd.		Casuarina Meru Sdn. Bhd.	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Net cash flows generated from/(used in):				
Operating activities	47,836	22,048	(657)	(2,650)
Investing activities	(55,890)	(20,007)	(693)	3,923
Financing activities	<u>15,932</u>	<u>(16,166)</u>	<u>(129)</u>	<u>(418)</u>
Net increase/(decrease) in cash and cash equivalents	7,878	(14,125)	(1,479)	855
Cash and cash equivalents at:				
Beginning of the financial year	<u>16,276</u>	<u>30,401</u>	<u>(2,153)</u>	<u>(3,008)</u>
End of the financial year	<u>24,154</u>	<u>16,276</u>	<u>(3,632)</u>	<u>(2,153)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

16 INVESTMENTS IN ASSOCIATES

	GROUP	
	<u>2024</u>	<u>2023</u>
	RM'000	RM'000
<u>Unquoted shares</u>		
Ordinary shares, at cost	6,100	6,100
Less: Accumulated impairment losses	(6,100)	(6,100)
	<u>0</u>	<u>0</u>

Details of the associates are as follows:

<u>Name of associates</u>	<u>Country of incorporation</u>	<u>Principal activity</u>	<u>Percentage of ownership held through subsidiary</u>	
			<u>2024</u>	<u>2023</u>
			%	%
<u>Held by PCB Equity Sdn. Bhd.</u>				
VC Telecoms Sdn. Bhd. *	Malaysia	Network facilities provider	49	49
Unified Million (M) Sdn. Bhd. *	Malaysia	Resort operator for Pangkor Village Resort	30	30

\* Not audited by Crowe Malaysia PLT

The principal place of these associates is in Malaysia.

Summarised financial information has not been presented as the associates are not individually material to the Group.

17 OTHER INVESTMENTS

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>Non-current</u>				
Unquoted shares in Malaysia				
- Financial assets measured at fair value through profit or loss	<u>25</u>	<u>25</u>	<u>0</u>	<u>0</u>
<u>Current</u>				
Unit trust fund (quoted in Malaysia)				
- Financial assets measured at fair value through profit or loss	<u>129</u>	<u>126</u>	<u>46</u>	<u>45</u>
Market value of quoted investments	<u>129</u>	<u>126</u>	<u>46</u>	<u>45</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

18 INTANGIBLE ASSETS

	<u>Goodwill</u> RM'000	<u>Computer software</u> RM'000	<u>Total</u> RM'000
<u>GROUP</u>			
<u>COST</u>			
At 1.1.2024	24,746	5,873	30,619
Additions	0	135	135
At 31.12.2024	24,746	6,008	30,754
<u>ACCUMULATED AMORTISATION</u>			
At 1.1.2024	0	5,251	5,251
Amortisation	0	356	356
At 31.12.2024	0	5,607	5,607
<u>ACCUMULATED IMPAIRMENT LOSSES</u>			
At 1.1.2024/31.12.2024	935	0	935
<u>CARRYING AMOUNT</u>			
At 31.12.2024	23,811	401	24,212

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

18 INTANGIBLE ASSETS (CONTINUED)

	<u>Goodwill</u> RM'000	<u>Computer software</u> RM'000	<u>Total</u> RM'000
<b>GROUP</b>			
<u><b>COST</b></u>			
At 1.1.2023	24,746	5,636	30,382
Additions	0	237	237
At 31.12.2023	<u>24,746</u>	<u>5,873</u>	<u>30,619</u>
<u><b>ACCUMULATED AMORTISATION</b></u>			
At 1.1.2023	0	4,340	4,340
Amortisation	0	911	911
At 31.12.2023	<u>0</u>	<u>5,251</u>	<u>5,251</u>
<u><b>ACCUMULATED IMPAIRMENT LOSSES</b></u>			
At 1.1.2023/31.12.2023	<u>935</u>	<u>0</u>	<u>935</u>
<u><b>CARRYING AMOUNT</b></u>			
At 31.12.2023	<u>23,811</u>	<u>622</u>	<u>24,433</u>

Goodwill

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The goodwill of RM23,811,000 as at 31 December 2024 (2023: RM23,811,000) is related to Lumut Maritime Terminal Sdn. Bhd.

The Group has assessed the recoverable amounts of goodwill allocated and determined that no additional impairment is required. The recoverable amount for the above was based on its value in use and was determined by discounting the future cash flows expected to be generated from the continuing use of the division and was based on the following key assumptions.

- Cash flow were projected based on actual operating results and a 5 years projection (2023: 5 years).
- Revenue was projected at anticipated annual growth of 2.0% (2023: 2.0%) per annum.
- A pre-tax discount rate for 8.0% (2023: 8.7%) was applied in determining the recoverable amount of the division. The discount rate was estimated based on the industry average weighted average cost of capital.
- Terminal growth rate is projected at 0% (2023: 0%).

The values assigned to the key assumptions represent management's assessment of future trends in the industry and are based on both external sources and internal sources. Any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the goodwill to exceed its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

19 INVENTORIES

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>Non-current</u>				
Leasehold land held for development	10,428	10,428	0	0
<u>Current</u>				
Properties under development				
- Freehold land	24,854	24,758	24,249	24,153
- Leasehold land with unexpired lease period of more than 50 years	50,770	50,528	51,580	51,338
- Development costs	15,574	7,997	7,424	31
Property development costs	91,198	83,283	83,253	75,522
Food and beverages	88	83	0	0
Other supplies	182	134	0	0
Tools and spares	14,509	12,313	0	0
	105,977	95,813	83,253	75,522
	116,405	106,241	83,253	75,522
<u>Recognised in profit or loss</u>				
Inventories recognised as cost of sales	17,222	16,303	0	0
Inventories written down	0	25	0	0
Gain on disposal of a leasehold land held for development	0	(2,244)	0	0
Reversal of inventories previously written down	(1,192)	0	0	0

Freehold land under development with carrying amounts totalling RM4,756,000 (2023: RM4,715,000) of the Group have been pledged to financial institutions as security for banking facilities as disclosed in Note 23 to the financial statements.

The reversal of write-down was in respect of inventories sold above their carrying amounts during the financial year.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

20 RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Current</u>				
Trade receivables, gross	14,885	12,067	0	0
Less: Allowance for impairment loss	(2,054)	(1,882)	0	0
Trade receivables, net	12,831	10,185	0	0
Other receivables	1,746	2,594	16	20
Less: Allowance for impairment loss	(1,148)	(1,204)	0	0
	598	1,390	16	20
Deposits	1,704	1,701	117	117
Prepayments	3,981	11,292	275	181
Goods and Services Tax receivable	50	50	50	50
	19,164	24,618	458	368
Amounts due from related parties (trade):				
Ultimate holding corporation	1,963	4,303	0	0
Former subsidiaries	2,317	2,317	0	0
Associate	33	33	0	0
Fellow subsidiaries	1,342	1,326	0	0
Related parties	9,509	11,053	0	0
	15,164	19,032	0	0
Less: Allowance for impairment loss				
Ultimate holding corporation	(1,909)	(4,299)	0	0
Former subsidiaries	(2,317)	(2,317)	0	0
Associate	(33)	(33)	0	0
Fellow subsidiaries	(1,330)	(1,320)	0	0
	(5,589)	(7,969)	0	0
	9,575	11,063	0	0

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

20 RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

	GROUP		COMPANY	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Amounts due from related parties (non-trade):				
Ultimate holding corporation	3,558	3,552	1,306	1,306
Subsidiaries	0	0	45,132	40,277
Former subsidiaries	202,395	202,593	159,027	159,224
Associates	8,586	8,586	8,500	8,500
Fellow subsidiaries	8,547	8,960	2,111	2,343
Related parties	4,295	10,383	0	0
	227,381	234,074	216,076	211,650
Less: Allowance for impairment losses				
Ultimate holding corporation	(2,422)	(1,320)	(1,306)	(1,306)
Subsidiaries	0	0	(45,132)	(40,277)
Former subsidiaries	(202,395)	(202,593)	(159,027)	(159,224)
Associates	(8,586)	(8,586)	(8,500)	(8,500)
Fellow subsidiaries	(8,547)	(8,960)	(2,111)	(2,343)
Related parties	(645)	(645)	0	0
	(222,595)	(222,104)	(216,076)	(211,650)
	4,786	11,970	0	0
Total amounts due from related parties	14,361	23,033	0	0
Total receivables, deposits and prepayments	33,525	47,651	458	368

- (a) Trade receivables are non-interest bearing and are generally on 30 to 60 days (2023: 30 to 60 days) terms. Other credit terms are assessed and approved on a case-by-case basis. They are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

	GROUP	
	2024 RM'000	2023 RM'000
Movements in allowance accounts		
At 1 January	1,882	2,605
Impairment charge for the financial year	320	314
Reversal of impairment losses for the financial year	(148)	(1,037)
At 31 December	2,054	1,882

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

20 RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

- (a) The allowance amount in respect of trade receivables is used to record impairment losses. Unless the Group is satisfied that recovery of the amount is possible, the amount considered irrecoverable is written off against the receivable directly.

Trade receivables that are individually determined to be impaired at the reporting date related to debtors that are in significant financial difficulties and/or have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

(b) Related parties

The trade amounts due from related parties are non-interest bearing and are generally on 30 to 60 days (2023: 30 to 60 days) terms.

The non-trade amounts due from related parties are unsecured and interest-free as at 31 December 2024 and 31 December 2023.

The amount due from an associate are unsecured and subject to interest of 0% (2023: 7.5%) per annum.

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Movements in allowance accounts				
At 1 January	230,073	228,795	211,650	207,621
Impairment charge for the financial year	1,535	1,587	4,856	4,051
Reversal of impairment losses for the financial year	<u>(3,424)</u>	<u>(309)</u>	<u>(430)</u>	<u>(22)</u>
At 31 December	<u>228,184</u>	<u>230,073</u>	<u>216,076</u>	<u>211,650</u>

(c) Other receivables

	GROUP	
	<u>2024</u>	<u>2023</u>
	RM'000	RM'000
Movements in allowance accounts		
At 1 January	1,204	970
Impairment charge for the financial year	150	278
Reversal of impairment losses for the financial year	(200)	(44)
Written off during the financial year	<u>(6)</u>	<u>0</u>
At 31 December	<u>1,148</u>	<u>1,204</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

21 DEPOSITS, CASH AND BANK BALANCES

Cash and cash equivalents included in the statements of cash flows comprise the following:

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Deposits with licensed banks	8,548	25,913	6	6
Cash and bank balances	24,676	15,347	16	136
	<u>33,224</u>	<u>41,260</u>	<u>22</u>	<u>142</u>
Deposits, cash and bank balances	33,224	41,260	22	142
Less:				
Deposits pledged with banks	(2,341)	(2,335)	0	0
Fixed deposits with maturity of more than 3 months	(5,207)	(19,242)	(6)	(6)
Overdraft (Note 23)	(4,961)	(5,025)	0	0
Cash and cash equivalents	<u>20,715</u>	<u>14,658</u>	<u>16</u>	<u>136</u>
	%	%	%	%
Weighted average effective interest rate at the reporting date is as follows:				
Deposits with licensed banks	<u>2.50 - 3.40</u>	<u>2.25 - 3.15</u>	<u>2.50</u>	<u>2.25</u>
	Days	Days	Days	Days
The range of maturity periods of the deposits with licensed banks are as follows:				
- unencumbered	90 - 365	90 - 366	366	365
- encumbered	<u>365 - 366</u>	<u>363 - 367</u>	<u>N/A</u>	<u>N/A</u>

Included in the deposits with licensed banks of the Group are RM2,341,000 (2023: RM2,335,000) pledged as securities for bank facilities granted.

22 SHARE CAPITAL

	Number of Ordinary Shares		Share Capital	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	'000	'000	RM'000	RM'000
Issued and fully paid ordinary shares				
At 1 January/31 December	<u>100,000</u>	<u>100,000</u>	<u>272,770</u>	<u>272,770</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

22 SHARE CAPITAL (CONTINUED)

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary share at meetings of the Company. The ordinary shares have no par value.

23 LOANS AND BORROWINGS

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Secured</u>				
<u>Current</u>				
Hire purchase and finance lease liabilities	634	606	966	911
Term financing-i	0	2,720	0	0
Business financing-i and cash line-i **	0	28,994	0	0
Revolving credits **	5,143	28,489	0	0
Overdraft	4,961	5,025	0	0
Redeemable cumulative preference shares	41,292	0	41,292	0
	<u>52,030</u>	<u>65,834</u>	<u>42,258</u>	<u>911</u>
<u>Non-current</u>				
Hire purchase and finance lease liabilities	14,356	14,793	2,110	3,076
Term financing-i	28,905	0	0	0
Business financing-i and cash line-i **	29,593	0	0	0
Revolving credits	19,143	0	0	0
Redeemable cumulative preference shares	0	39,326	0	39,326
	<u>91,997</u>	<u>54,119</u>	<u>2,110</u>	<u>42,402</u>
<u>Total borrowings</u>				
Hire purchase and finance lease liabilities	14,990	15,399	3,076	3,987
Term financing-i	28,905	2,720	0	0
Business financing-i and cash line-i **	29,593	28,994	0	0
Revolving credits **	24,286	28,489	0	0
Overdraft	4,961	5,025	0	0
Redeemable cumulative preference shares	41,292	39,326	41,292	39,326
	<u>144,027</u>	<u>119,953</u>	<u>44,368</u>	<u>43,313</u>

\*\* Loans and borrowings with cross default clauses in financial year ended 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Maturity of borrowings</u>				
On demand or within one year	52,030	65,834	42,258	911
More than 1 year and less than 2 years	5,670	597	1,024	966
More than 2 years and less than 5 years	44,071	40,986	1,086	41,436
More than 5 years	42,256	12,536	0	0
	<u>144,027</u>	<u>119,953</u>	<u>44,368</u>	<u>43,313</u>

In previous financial years, the Group had defaulted on certain loan and borrowing obligations. As a result, borrowings with cross-default provisions under various financing facilities across the Group were classified as current liabilities, as they became repayable on demand.

Following the execution of debt settlement agreements between the Company and the affected subsidiary to restructure the outstanding debts as disclosed in Note 23(d) and (e) below, the defaults have been resolved, and the cross-default provisions are no longer triggered.

Accordingly, loans and borrowings have been reclassified into current and non-current liabilities in the statement of financial position, based on the respective contractual maturity profiles of the financing facilities.

(a) Hire purchase and finance lease liabilities

The hire purchase and finance leases of the Group bear interest rates ranging from 3.78% to 4.19% (2023: 3.91% to 4.19%) per annum. The hire purchases payables are secured by the kitchen equipment as disclosed in Note 11 to the financial statements.

(b) Term financing-i granted to a subsidiary

The term financing-i carries cost of fund ("COF") plus 1.25% and is secured by the following:

- (i) Registered first party fixed legal charge in favour of the bank over 4 lots of leasehold land of the subsidiary;
- (ii) Debenture by way of registered first fixed and floating charge over all the present and future assets of the subsidiary;
- (iii) Deed of assignment of the subsidiary's rights, titles and benefits arising from all Takaful certificates/insurance policies taken by the subsidiary in relation to the Lumut Maritime Terminal 2;
- (iv) First party assignment and charge over financing payment reserve account; and
- (v) Irrevocable and unconditional letter of undertaking by the subsidiary to provide cash injection in the event of cost-overrun.

Item (i) and (ii) above are presently charged to the existing term financing-i granted to the subsidiary.

This term financing-i is repayable by 28 quarterly instalments commencing from the 25<sup>th</sup> month from date of first disbursement.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

(c) Business Financing-i and Business Cash Line-i granted to subsidiaries

The 2 loan facilities of the subsidiaries are secured by:

- Third party first and second legal charges over 3.782 acres of commercial land in Bandar Baru Teluk Intan, Daerah Hilir Perak, Perak;
- Third party first and second legal charges over 2 acres of commercial land in Bandar Kuala Kangsar, Mukim Sayong, Daerah Kuala Kangsar, Perak; and
- Corporate guarantee of the Company.

The term loans bear interest rate at 6.72% (2023: 6.72%) per annum and are repayable by 180 monthly instalments starting from July 2019.

Post moratorium of Covid-19 pandemic, the term loans were initially rescheduled in 2020, resulting in a tenure extension of 34 months. During the current financial year, the term loans were further rescheduled, with an additional extension of the loan tenures by approximately 30 to 32 months.

(d) Term loans

Musharakah Mutanaqisah Term Financing-i granted to the Company

The term loan granted to the Company carries COF plus 1.5% and is secured by a charge over a hotel and office blocks of a subsidiary. The Company defaulted the scheduled principal repayment due on 31 January 2020 and the lender has declared an event of default for this facility on 6 February 2020.

The Company entered into a debt settlement agreement to restructure the outstanding defaulted debts via the issuance of redeemable cumulative preference shares as disclosed in Note 23(g) below.

(e) Revolving credits

The revolving credits of the Group are as follows:

(i) Tawarruq Revolving Credit-i granted to the Company

The Tawarruq Revolving Credit-i facility is secured by third party first legal charge over a hotel and office blocks of the Group.

(ii) Revolving credit (secured) granted to the Company

The revolving credit of the Company bears interest rates of 5.86% (2023: 5.86%) per annum and is secured by way of third party second fixed legal charged over a parcel of freehold commercial land of a former subsidiary.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

(e) Revolving credits (continued)

The revolving credits of the Group are as follows: (continued)

(iii) Revolving credit (secured) granted to a subsidiary

The revolving credit of a subsidiary bears interest rates ranging from 5.36% to 7.47% (2023: 5.36% to 5.61%) per annum and is secured by way of:

- Third party second fixed legal charge over a parcel of freehold commercial land of a former subsidiary;
- Third party first fixed legal charge over a piece of leasehold land in Mukim Hulu Bernam Timur, Perak; and
- Corporate guarantee of the Company.

With Musharakah Mutanaqisah Term Financing-i loan as stated under Note 23(d) defaulted in January 2020 and the bank called for an event of default on 6 February 2020, the bank for revolving credit under Note 23(e)(i), (ii) and (iii) has 28 February 2020 declared an event of cross default for the said revolving credits granted to the Company and its subsidiary respectively.

The Company and the affected subsidiary have entered into a debt settlement agreement to restructure the outstanding defaulted debts through the issuance of redeemable cumulative preference shares as disclosed in Note 23(g) below.

(f) Overdraft

The overdraft of a subsidiary, bears interest rate of 7.15% (2023: 6.90%) per annum and is secured by way of a registered third party legal charge over parcels of land held under the title No. Geran 173661 - 173664, Lot 530695 - 530698 in Mukim Hulu Kinta, Daerah Kinta, Perak.

(g) Redeemable cumulative preference shares ("RPS") of the Group and of the Company

	Number of shares		Amount	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
			RM'000	RM'000
RPS classified as debt instruments:				
At 1 January	35,815	14,915	39,326	15,597
Issued during the financial year	0	20,900	0	21,856
Interest expenses charged during the financial year	0	0	1,966	1,873
As 31 December	<u>35,815</u>	<u>35,815</u>	<u>41,292</u>	<u>39,326</u>

The RPS comprised 35,814,980 shares issued by the Company as part settlement pursuant to the debt settlement agreement with the banks.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

(g) Redeemable cumulative preference shares ("RPS") of the Group and of the Company (continued)

- The RPS shall carry the right to receive cumulative gross preferential dividend at a dividend rate of 5.0% per annum, calculated based on the issue price of RM1.00 each and on the basis of the actual number of days lapsed in a 365-day year;
- The dividend shall be paid from the distributable reserves of the Company. No dividend shall be paid in respect of any other securities ranking junior to RPS and ordinary shares in the Company unless the dividends, including accumulated dividends, on the RPS have first been paid;
- The dividends shall be payable in arrears annually on the anniversary of the date of issuance of the RPS. Any dividend that is not paid on the relevant dividend payment date shall continue to accumulate and to be compounded for the next dividend payment and in any case no later than the RPS's maturity date;
- The RPS may at the option of the Company be redeemed on the 1st anniversary and 2nd anniversary of the RPS's issue date but subject always to a mandatory full redemption on the 3rd anniversary of the RPS's issue date;
- Any RPS that is not redeemed on the relevant redemption date shall continue to be carried forward but all RPS shall be fully redeemed by the Company and all outstanding accrued dividends shall be paid to the RPS holders on the maturity date without the requirement of any notice;
- In the event that an event of default as defined in the debt settlement agreement, the Company shall redeem the RPS and pay all outstanding accrued dividends within 30 days upon notice in writing issued by RPS holder;
- Redemption Price of RPS is equivalent to the RPS's issue price together with accrued dividends up to and including the date of redemption;
- The RPS shall rank pari-passu without any preference or priority among themselves and other preference shares issued by the Company but shall otherwise rank in priority to all other shares or securities of the Company;
- The RPS shall carry only the rights to dividends and the security charge and shall not confer on the RPS holder the right to participate in any profits of the Company;
- The RPS is secured by third party second fixed legal charge over a hotel and office blocks of the Group;
- The RPS is not convertible into ordinary shares of the Company;
- Every RPS holder shall be entitled to the same rights as an ordinary shareholder with regard to receiving notices of general meetings, reports and audited financial statements of the Company, and to attend and speak at all general meetings or any other meeting of any class of members of the Company but without voting rights other than as permitted therein;

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

(g) Redeemable cumulative preference shares ("RPS") of the Group and of the Company (continued)

- The RPS holder shall carry no right to receive notice of or to attend or vote at any general meeting of the Company, save as follows:
  - (a) any resolution is proposed for the winding-up of the Company; or
  - (b) the meeting is convened for the purpose of considering a reduction of the redeemable preference shares in the capital of the Company, other than for the purpose of redeeming the RPS or repayment of the RPS issue price and accrued unpaid dividends; or
  - (c) the meeting is convened for the purpose of varying or amending the rights and privileges attaching to the RPS; and
- In the event of the commencement of any winding up or liquidation of the Company, the RPS shall be redeemed in priority from the proceeds from the disposal of the security charge and shall, save and except for any preference shares issued by the Company, rank:
  - (a) senior to all other creditors (including the holders of subordinated debts); and
  - (b) senior to the ordinary shares and any other securities or obligations of the Company that are subordinated to the RPS.

The outstanding RPS is immediately due and repayable, and the RPS then outstanding shall become immediately due and repayable together with accrued dividends up to and including the date of repayment.

Prior to the mandatory full redemption on the third anniversary of the issuance of the RPS, CIMB, via its letter dated 10 January 2025, approved the Company's request to redeem the RPS-A1 together with all accrued and unpaid dividends by 30 September 2025. Similarly, AIB, through its letter dated 27 January 2025, agreed to grant an extension of time until 30 September 2025 for Perak Corp to fully redeem the RPS-A2, inclusive of cumulative compounded gross preferential dividends accruing at 5% per annum up to 31 January 2025 and 8% per annum thereafter until the RPS-A2 maturity date. The Company intends to utilise the proceeds from land monetisation under the Proposed Regularisation Plan to fully redeem both RPS-A1 and RPS-A2.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

24 PAYABLES AND ACCRUED LIABILITIES

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>Current</u>				
Trade payables	3,547	4,461	0	0
Other payables	29,296	26,508	17,661	11,714
Financial guarantee contracts	18,069	21,752	42,355	48,389
Deposits received	40,596	25,298	27,460	11,192
Accruals	28,368	25,023	201	198
	<u>119,876</u>	<u>103,042</u>	<u>87,677</u>	<u>71,493</u>
Amounts due to related parties (non-trade):				
Ultimate holding corporation	35,511	38,007	25,621	28,592
Fellow subsidiaries	1,787	1,793	1,413	1,373
A former subsidiary	3,498	3,498	231	231
Subsidiaries	0	0	114,190	107,887
An associate	532	532	0	0
Total amounts due to related parties	<u>41,328</u>	<u>43,830</u>	<u>141,455</u>	<u>138,083</u>
Total payables and accrued liabilities	<u>161,204</u>	<u>146,872</u>	<u>229,132</u>	<u>209,576</u>

(a) Trade payables

These amounts are non-interest bearing. Trade payables are normally settled within 7 to 90 days (2023: 7 to 90 days).

(b) Related parties balances

The amounts due to related parties are non-trade in nature, unsecured and interest free.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

25 DEFERRED TAX LIABILITIES

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax relates to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deferred tax liabilities				
- subject to income tax	(14,760)	(13,211)	(7)	(7)

The movements in deferred tax assets/(liabilities) during the financial year comprise the following:

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
At 1 January	(13,211)	(13,263)	(7)	(7)
Credited/(Charged) to profit or loss (Note 9)				
- property, plant and equipment and port facilities	(1,177)	(479)	0	0
- unabsorbed capital allowances	608			
- provisions and allowances	(980)	531	0	0
	(1,549)	52	0	0
At 31 December	(14,760)	(13,211)	(7)	(7)

Subject to income tax:

Deferred tax assets (before offsetting)				
- provisions and allowances	5,214	2,977	0	0
- property, plant and equipment	(1,732)	32	0	0
	3,482	3,009	0	0
Offsetting	(3,482)	(3,009)	0	0
Deferred tax assets (after offsetting)	0	0	0	0

Deferred tax liabilities (before offsetting)				
- property, plant and equipment and port facilities	(18,242)	(16,220)	(7)	(7)
Offsetting	3,482	3,009	0	0
Deferred tax liabilities (after offsetting)	(14,760)	(13,211)	(7)	(7)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

25 DEFERRED TAX LIABILITIES (CONTINUED)

The analysis of deferred tax assets/(liabilities) is as follows:

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Deferred tax liabilities				
- to be settled within 12 months	0	0	0	0
- to be settled after 12 months	(18,242)	(16,220)	(7)	(7)
	<u>(18,242)</u>	<u>(16,220)</u>	<u>(7)</u>	<u>(7)</u>
Deferred tax assets				
- to be settled within 12 months	0	0	0	0
- to be settled after 12 months	3,482	3,009	0	0
	<u>3,482</u>	<u>3,009</u>	<u>0</u>	<u>0</u>

As at the reporting date, the Group and the Company have the following unused tax losses and unabsorbed capital allowances that are available to offset against future taxable profits of the respective entities in which these unused tax losses and unabsorbed capital allowances arose, for which no deferred tax asset is recognised due to uncertainty of its recoverability.

While unabsorbed capital allowances do not have any expiry date, the unused tax losses have an expiry of 10 years with substantial portion of the unused tax losses expire in year of assessment 2028. Any amount not utilised at the end of expiry date will be disregarded.

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Unused tax losses	41,529	28,893	22,812	10,956
Unabsorbed capital allowances	<u>11,271</u>	<u>15,455</u>	<u>66</u>	<u>42</u>

Deferred tax assets have not been recognised in respect of the following items:

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Unused tax losses	41,529	28,893	22,812	10,956
Unabsorbed capital allowances	11,271	15,455	66	42
Other deductible temporary differences	395,154	385,666	216,052	211,633
	<u>447,954</u>	<u>430,014</u>	<u>238,930</u>	<u>222,631</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

26 NET GAIN ON DISPOSAL OF A DEEMED ACQUIRED SUBSIDIARY

(a) Deemed acquisition of a subsidiary

On 17 January 2024, the Creditors' Voluntary Winding Up of PCB Development has been set aside by the High Court of Kuala Lumpur ("the said Decision") via the Originating Summons No. WA-28PW-317-07/2022 dated 27 June 2022 by Affin Hwang Investment Bank Berhad, Affin Bank Berhad, Bank Pembangunan Malaysia Berhad and Malaysia Debt Ventures Berhad ("Applicants") against PCB Development and Liquidators ("Respondents"). On 27 February 2024, stay of the said Decision was refused by the High Court. Meanwhile, appeals have been filed by the Respondents against the said Decision to the Court of Appeal on 24 January 2024.

Following the stay of the said Decision was refused by the High Court, the Company has the power to direct the relevant activities of PCB Development and in accordance with MFRS 10, PCB Development is therefore, deemed as a subsidiary of the Company for accounting purpose effective from 28 February 2024.

The identifiable assets acquired and net liabilities assumed were based on provisional assessment of the fair values.

**Financial Effect Arising from Deemed Acquisition**

	RM'000	RM'000
Fair value of identifiable assets acquired and liabilities assumed		
Inventories	81,470	
Receivables, deposits and prepayments	19,306	
Deposits, bank and cash balances	5,983	
Payables and accrued liabilities	(594,806)	
Current tax payable	(31,587)	
Total net liabilities		(519,634)
Consideration		0
Goodwill on deemed acquisition		<u>519,634*</u>
Cash Flow Arising from Deemed Acquisition		
Purchase consideration		0
Less: Cash and cash equivalents of a subsidiary acquired		(5,983)
Net cash inflow on deemed acquisition of a subsidiary		<u>(5,983)</u>

The cost of acquisition is nil as this is a deemed acquisition of a subsidiary.

\*The goodwill on acquisition was impaired in full as the carrying amount of the goodwill exceeded its recoverable amount in view of its non-going concern status.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

26 NET GAIN ON DISPOSAL OF A DEEMED ACQUIRED SUBSIDIARY (CONTINUED)

(b) Disposal of a deemed acquired subsidiary

On 29 March 2024, the Company entered into a Share Sale and Purchase Agreement in relation to disposal of 100% shares and interest in PCB Development on a willing buyer-willing seller and on a "as is where is" basis to Rescene Sdn Bhd for a purchase price of RM1.00. The transaction was completed on the same day. The decision to dispose PCB Development was made after careful consideration and thorough evaluation of PCB Development's significant negative financial standing, its non-going concern status and the creditors' voluntary winding-up.

**Financial Effect Arising from Disposal**

	RM'000	RM'000
Consideration		0
Inventories	81,470	
Receivables, deposits and prepayments	18,845	
Deposits, bank and cash balances	6,444	
Payables and accrued liabilities	(596,599)	
Current tax payable	(31,587)	
Carrying amount of liabilities disposed		(521,427)
Gain on disposal of a deemed acquired subsidiary		<u>521,427</u>
Cash Flow Arising from Disposal		
Cash and cash equivalents of a subsidiary disposed		(6,444)
Less: Consideration		<u>0</u>
Net cash outflow on disposal of a deemed acquired subsidiary		<u>(6,444)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

27 RELATED PARTY DISCLOSURES

(a) Related parties and relationship

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 or jointly 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 common control. 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 and entity that provides key management personnel services to the Group. Remuneration of the directors of the Group and of the Company are disclosed in Note 7.

The Group has related party relationship and transactions with its holding corporation, Perbadanan Kemajuan Negeri Perak ("PKNP"), Majuperak Holdings Berhad ("MHB"), a subsidiary of PKNP and a company listed on the Main Market of Bursa Malaysia Securities Berhad.

The Group is related to the Perak State Government as it is controlled by agency of the Perak State Government.

The Company's holding company is PKNP.

The subsidiaries are disclosed in Note 15 to the financial statements.

(b) Related party balances

Related party balances have been disclosed in Notes 20 and 24 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

27 RELATED PARTY DISCLOSURES (CONTINUED)

(c) Significant related party transactions

In addition to the related party transactions information disclosed in the statements of cash flows, the Group and the Company also carried out the following significant transactions with the related parties during the financial year:-

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>PKNP – Holding corporation</u>				
Management fee paid/ payable	0	(81)	0	0
Recharge of admin expenses received/receivable	0	6	0	6
Recharge of admin expenses paid/payable	(184)	(25)	(184)	(25)
Rental income received/receivable	1,844	1,844	0	0
Interest expenses paid/payable	238	0	238	0
Waiver of interest expenses	0	1,183	0	0
Sales income	161	138	0	0
Set off of debts	582	0	582	0
Lease rental paid/payable	<u>(872)</u>	<u>(872)</u>	<u>0</u>	<u>0</u>

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in Notes 20 and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

27 RELATED PARTY DISCLOSURES (CONTINUED)

(c) Significant related party transactions (continued)

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Subsidiaries</u>				
Advances paid	0	0	(4,804)	(2,476)
Advances received	0	0	1,788	8,343
Set off of debts	0	0	152	0
Rental services	0	0	(1,598)	(1,201)
Shared service charges	0	0	(411)	(415)
<u>Former subsidiaries</u>				
Set off of debts	(198)	(155)	198	(22)
<u>Other related parties</u>				
Sales	19	43	0	0
Purchase of goods	(11)	(4)	(1)	0
Rendering of services	(82)	(147)	(81)	(91)
Set off of debts	(372)	0	(231)	
<u>Associate</u>				
Rendering of internet services	(81)	(106)	(81)	(106)
<u>Government related entity – Lekir Bulk Terminal Sdn. Bhd.</u>				
Revenue from operation and maintenance	44,665	48,195	0	0
Purchase of goods	(1,901)	(2,331)	0	0

The significant outstanding balances of the related parties (including the allowance for impairment loss made) together with their terms and conditions are disclosed in Notes 20 and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

27 RELATED PARTY DISCLOSURES (CONTINUED)

(d) Key management compensation

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Salaries and other short term employee benefits	4,210	3,954	1,148	1,368
Post-employment benefits	98	464	98	128
	<u>4,308</u>	<u>4,418</u>	<u>1,246</u>	<u>1,496</u>
Included herein are directors' remuneration disclosed in Note 7 to the financial statements	<u>1,450</u>	<u>1,170</u>	<u>575</u>	<u>543</u>

28 CAPITAL COMMITMENTS

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
Purchase of property, plant and equipment	11,906	12,016	0	0
Purchase of port facilities	117,861	180,554	0	0
Purchase of computer software	0	52	0	0
	<u>129,767</u>	<u>192,622</u>	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS

29.1 Classification of financial instruments

	GROUP		COMPANY	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial asset measured at fair value through profit or loss:				
- Other investments	154	151	46	45
Financial assets at amortised cost:				
- Receivables and deposits	15,133	13,276	133	137
- Amount due from ultimate holding corporation	1,190	2,236	0	0
- Amount due from other related parties	13,171	20,797	0	0
- Deposits, cash and bank balances	33,224	41,260	22	142
Total	62,872	77,720	201	324
<u>Financial liabilities</u>				
Financial liabilities at amortised cost:				
- Payables and accrued liabilities	79,280	77,744	60,217	60,301
- Amount due to ultimate holding corporation	35,511	38,007	25,621	28,592
- Amount due to subsidiaries	0	0	114,190	107,887
- Amount due to a former subsidiary	3,498	3,498	231	231
- Amounts due to fellow subsidiaries	1,787	1,793	1,413	1,373
- Amounts due to an associate	532	532	0	0
- Loans and borrowings	144,027	119,953	44,368	43,313
Total	264,635	241,527	246,040	241,697

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management

Foreign currency risk

The Group and the Company do not have any transactions or balances denominated in foreign currencies and hence, are not exposed to foreign currency risk.

The activities of the Group and of the Company are exposed to a variety of market risk (including interest rate risk and price risk), credit risk and liquidity risk. The overall financial risk management policy focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group and of the Company.

The nature of these risks and the Group's and the Company's approaches in managing these risks are listed below:

(a) Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to changes in interest rates relates mainly to bank borrowings contracted on variable terms.

The fixed rate debt instruments of the Group and of the Company are not subject to interest rate risk since neither carrying amounts nor the future cash flows will fluctuate because of a change in market interest rates.

The exposure to interest rate risk based on the carrying amounts of the financial instruments at the end of the reporting period is disclosed in Note 23 to the financial statements.

Sensitivity analysis for interest rate risk

Any reasonably possible change in the interest rates of floating rate term loans at the end of the reporting period does not have a material impact on the profit after taxation and equity of the Group and of the Company and hence, no sensitivity analysis is presented.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(b) Price risk

Price risk is the risk that the fair value or future cash flows of the Group's and of the Company's financial instruments will fluctuate because of changes in market prices (other than interest or foreign currency exchange rates).

The Group and the Company are exposed to price risk arising from its short term investments in unit trust fund. The short term investments are classified as fair value through profit or loss.

Any reasonably possible change in the prices of investments classified as fair value through profit or loss at the end of the reporting period does not have a material impact on the profit after taxation of the Group and of the Company and hence, no sensitivity analysis is presented. There is no impact on the equity of the Group and of the Company.

(c) Credit risk

The exposure to credit risk, or the risk of counterparties defaulting, arises mainly from trade and other receivables. The Group and the Company manage their exposures to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

Also, the Company's exposure to credit risk includes loans and advances to subsidiaries, and corporate guarantee given to financial institutions for credit facilities granted to certain subsidiaries and associates. The Company monitors the ability of the subsidiaries and associates to serve their loans on an individual basis.

The Group's major concentration credit risk relates to the amounts owing by 2 (2023: 1) customer which constituted approximately 49% (2023: 52%) of its trade receivables (including related parties) at the end of the reporting period.

Maximum Exposure to Credit Risk

At the end of the reporting period, the maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statement of financial position of the Group and of the Company after deducting any allowance for impairment losses (where applicable).

In addition, the Company's maximum exposure to credit risk also includes corporate guarantees provided to its subsidiaries and associates which is disclosed in 29.2(d), representing the outstanding banking facilities of the subsidiaries and associates as at the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses

The Group and the Company have an informal credit policy in place and the exposure to credit risk is monitored on an on-going basis through periodic review of the ageing of the receivables. The Group and the Company closely monitor the receivables' financial strength to reduce the risk of loss.

At each reporting date, the Group and the Company evaluate whether any of the financial assets at amortised cost and contract assets, if any are credit impaired.

The gross carrying amounts of financial assets are written off against the associated impairment, if any, when there is no reasonable expectation of recovery despite the fact that they are still subject to enforcement activities.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 29 FINANCIAL INSTRUMENTS (CONTINUED)

#### 29.2 Financial risk management (continued)

##### (c) Credit risk (continued)

###### Assessment of Impairment Losses (continued)

A financial asset is credit impaired when any of following events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred:

- Significant financial difficult of the receivable;
- A breach of contract, such as a default or past due event;
- Restructuring of a debt in relation to the receivable's financial difficulty;
- It is becoming probable that the receivable will enter bankruptcy or other financial reorganisation.

The Group and the Company consider a receivable to be in default when the receivable is unlikely to repay its debt to the Group and the Company in full or is more than 90 days past due unless the Group and the Company have reasonable and supportable information to demonstrate that a more a lagging default criterion is more appropriate.

###### Trade Receivables and Contract Assets

The Group applies the simplified approach to measure expected credit losses using a lifetime expected credit loss allowance for all trade receivables and contract assets.

###### *Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

To measure the expected credit losses, trade receivables (including related parties) and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. Therefore, the Group concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The Group measures the expected credit losses of certain major customers, trade receivables that are credit impaired and trade receivables with a high risk of default on individual basis.

The expected loss rates are based on the payment profiles of sales over 12 months (2023 - 12 months) before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts using the linear regressive analysis. The historical loss rates were not adjusted to reflect forward-looking information on macroeconomic factors affecting the ability of the trade receivables to settle their debts as the Group has not identified any forward-looking assumptions which correlate to the historical loss rates, unless there is correlation between the forward-looking information and the ability of the trade receivables to settle their debts.

There are no significant changes in the estimation techniques and assumptions as compared to the previous financial year.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses (continued)

*Allowance for Impairment Losses*

The reconciliation of allowance for impairment are disclosed in Note 20 to the financial statements.

	<u>Performing</u> RM'000	<u>Under- performing</u> RM'000	<u>Not performing</u> RM'000	<u>Total</u> RM'000
<u>GROUP</u>				
2024				
<u>Trade receivables</u>				
Gross carrying amount	9,959	3,215	1,711	14,885
Accumulated impairment loss	(262)	(81)	(1,711)	(2,054)
Net carrying amount	<u>9,697</u>	<u>3,134</u>	<u>0</u>	<u>12,831</u>
<u>GROUP</u>	<u>Performing</u> RM'000	<u>Under- performing</u> RM'000	<u>Not performing</u> RM'000	<u>Total</u> RM'000
2023				
<u>Trade receivables</u>				
Gross carrying amount	9,176	1,348	1,543	12,067
Accumulated impairment loss	(188)	(151)	(1,543)	(1,882)
Net carrying amount	<u>8,988</u>	<u>1,197</u>	<u>0</u>	<u>10,185</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses (continued)

Other Receivables and Amount Owing by Related Parties

The Group and the Company applies the 3-stage general approach to measuring expected credit losses for its other receivables and amount owing by related parties.

*Inputs, Assumptions and Techniques used for Estimating Impairment Losses*

Under this approach, the Group and the Company assesses whether there is a significant increase in credit risk for receivables by comparing the risk of default as at the reporting date with the risk of default as at the date of initial recognition. The Group and the Company considers there has been a significant increase in credit risk when there are changes in contractual terms or delay in payment. Regardless of the assessment, a significant increase in credit risk is presumed if a receivable is more than 30 days past due in making a contractual payment.

The Group and the Company uses 3 categories to reflect their credit risk and how the loss allowance is determined for each category:-

Category	Definition of category	Loss Allowance
Performing:	Receivables have a low risk of default and a strong capacity to meet contractual cash flows	12-months expected credit losses
Underperforming:	Receivables for which there is a significant increase in credit risk	Lifetime expected credit losses
Not performing:	There is evidence indicating the receivable is credit impaired or more than 90 days past due	Lifetime expected credit losses

The Group and the Company measures the expected credit losses of receivables having significant balances, receivables that are credit impaired and receivables with a high risk of default on individual basis. Other receivables are grouped based on shared credit risk characteristics and assessed on collective basis.

Loss allowance is measured on either 12-month expected credit losses or lifetime expected credit losses, by considering the likelihood that the receivable would not be able to repay during the contractual period (probability of default, PD), the percentage of contractual cash flows that will not be collected if default happens (loss given default, LGD) and the outstanding amount that is exposed to default risk (exposure at default, EAD).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses (continued)

Other Receivables and Amount Owing by Related Parties (continued)

*Allowance for Impairment Losses*

	<u>Performing</u>	<u>Under-</u>	<u>Not</u>	<u>Total</u>
	RM'000	performing	performing	RM'000
<u>GROUP</u>				
2024				
<u>Other receivables</u>				
Gross carrying amount	598	0	1,148	1,746
Accumulated impairment loss	0	0	(1,148)	(1,148)
Net carrying amount	<u>598</u>	<u>0</u>	<u>0</u>	<u>598</u>
 <u>Amounts due from related parties</u>				
Gross carrying amount	13,173	2,304	227,068	242,545
Accumulated impairment loss	0	(1,116)	(227,068)	(228,184)
Net carrying amount	<u>13,173</u>	<u>1,188</u>	<u>0</u>	<u>14,361</u>
 <u>Deposits and bank balances</u>				
Gross/Net carrying amount	<u>33,224</u>	<u>0</u>	<u>0</u>	<u>33,224</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses (continued)

Other Receivables and Amount Owing by Related Parties (continued)

Allowance for Impairment Losses (continued)

	<u>Performing</u> RM'000	<u>Under- performing</u> RM'000	<u>Not performing</u> RM'000	<u>Total</u> RM'000
<u>GROUP</u>				
2023				
<u>Other receivables</u>				
Gross carrying amount	1,390	0	1,204	2,594
Accumulated impairment loss	0	0	(1,204)	(1,204)
Net carrying amount	<u>1,390</u>	<u>0</u>	<u>0</u>	<u>1,390</u>
<u>Amounts due from related parties</u>				
Gross carrying amount	23,023	10	230,073	253,106
Accumulated impairment loss	0	0	(230,073)	(230,073)
Net carrying amount	<u>23,023</u>	<u>10</u>	<u>0</u>	<u>23,033</u>
<u>Deposits and bank balances</u>				
Gross/Net carrying amount	<u>41,260</u>	<u>0</u>	<u>0</u>	<u>41,260</u>
	<u>Performing</u> RM'000	<u>Under- performing</u> RM'000	<u>Not performing</u> RM'000	<u>Total</u> RM'000
<u>COMPANY</u>				
2024				
<u>Other receivables</u>				
Gross/Net carrying amount	<u>16</u>	<u>0</u>	<u>0</u>	<u>16</u>
<u>Amounts due from related parties</u>				
Gross carrying amount	0	193,870	22,206	216,076
Accumulated impairment loss	0	(193,870)	(22,206)	(216,076)
Net carrying amount	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Deposits and bank balances</u>				
Gross/Net carrying amount	<u>22</u>	<u>0</u>	<u>0</u>	<u>22</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses (continued)

Other Receivables and Amount Owing by Related Parties (continued)

Allowance for Impairment Losses (continued)

<u>COMPANY</u>	<u>Performing</u> RM'000	<u>Under-</u> <u>performing</u> RM'000	<u>Not</u> <u>performing</u> RM'000	<u>Total</u> RM'000
2023				
<u>Other receivables</u>				
Gross/Net carrying amount	<u>20</u>	<u>0</u>	<u>0</u>	<u>20</u>
<u>Amounts due from related parties</u>				
Gross carrying amount	0	192,008	19,642	211,650
Accumulated impairment loss	<u>0</u>	<u>(192,008)</u>	<u>(19,642)</u>	<u>(211,650)</u>
Net carrying amount	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Deposits and bank balances</u>				
Gross/Net carrying amount	<u>142</u>	<u>0</u>	<u>0</u>	<u>142</u>

Deposits, cash and bank balances

The Group and the Company consider the licensed banks have low credit risks. In addition, some of the bank balances are insured by Government agencies. Therefore, the Group and the Company are of the view that the loss allowance is immaterial and hence, it is not provided for.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(c) Credit risk (continued)

Assessment of Impairment Losses (continued)

Financial Guarantee Contracts

Corporate guarantees for borrowing facilities granted to subsidiaries and associates are financial guarantee contract.

The Company closely monitors the subsidiaries' and associates' financial strength to reduce the risk of loss.

The Company considers there is a significant increase in credit risk when a subsidiary's and an associate's financial position deteriorates significantly. A financial guarantee contract is credit impaired when:

- The subsidiary and the associate is unlikely to repay its obligation to the bank in full; or
- The subsidiary and the associate is having a deficit in equity and is continuously loss making.

The Company determines the probability of default of the guaranteed amounts individually using internal information available.

At the end of the reporting period, the Group's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position except for the financial guarantee contracts applicable to the Group..

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(d) segment

Liquidity risk arises mainly from general funding and business activities. The Group and the Company practise prudent risk management by maintaining sufficient cash balances and the availability of funding through certain committed credit facilities.

The table below summarises the maturity profile of the Group's and of the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

<u>GROUP</u>	2024				<u>Total</u> RM'000
	<u>On demand</u> RM'000	<u>Within one year</u> RM'000	<u>Two to five years</u> RM'000	<u>More than five years</u> RM'000	
Financial liabilities:					
Payables and accrued liabilities	0	61,211	0	0	61,211
Amounts due to related parties	0	41,328	0	0	41,328
Loans and borrowings	0	53,292	48,048	74,745	176,085
Hire purchase and finance lease liabilities	0	930	3,561	73,870	78,361
Financial guarantee contracts	18,969	0	0	0	18,969
Total undiscounted financial obligations	18,969	156,761	51,609	148,615	375,954

<u>GROUP</u>	2023				<u>Total</u> RM'000
	<u>On demand</u> RM'000	<u>Within one year</u> RM'000	<u>Two to five years</u> RM'000	<u>More than five years</u> RM'000	
Financial liabilities:					
Payables and accrued liabilities	0	55,992	0	0	55,992
Amounts due to related parties	0	43,830	0	0	43,830
Loans and borrowings	96,600	7,745	39,326	0	143,671
Hire purchase and finance lease liabilities	0	872	3,488	75,292	79,652
Financial guarantee contracts	23,164	0	0	0	23,164
Total undiscounted financial obligations	119,764	115,546	42,814	75,292	353,416

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(d) Liquidity risk (continued)

COMPANY	2024				
	On demand RM'000	Within one year RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
Financial liabilities:					
Payables and accrued liabilities	0	17,862	0	0	17,862
Amounts due to related parties	0	141,455	0	0	141,455
Loans and borrowings	0	43,188	0	0	43,188
Hire purchase and finance lease liabilities	0	1,121	2,241	0	3,362
Financial guarantee contracts	72,848	0	0	0	72,848
Total undiscounted financial obligations	72,848	203,626	2,241	0	278,715

COMPANY	2023				
	On demand RM'000	Within one year RM'000	Two to five years RM'000	More than five years RM'000	Total RM'000
Financial liabilities:					
Payables and accrued liabilities	0	11,912	0	0	11,912
Amounts due to related parties	0	138,083	0	0	138,083
Loans and borrowings	0	0	39,326	0	39,326
Hire purchase and finance lease liabilities	0	1,121	3,361	0	4,482
Financial guarantee contracts	80,646	0	0	0	80,646
Total undiscounted financial obligations	80,646	158,223	42,687	0	281,556

The contractual undiscounted cash flows represent the outstanding credit facilities of the subsidiaries and associates at the end of the reporting period.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(e) Capital risk management

The Group's and the Company's objective when managing capital is to safeguard the Group's and the Company's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value.

Management monitors capital based on shareholders' equity attributable to the owners of the Company as stated in the statements of financial position. The capital structure of the Group and of the Company consists of net debt and net equity of the Group and of the Company.

The Company was declared a PN 17 company after triggering the prescribed criteria under paragraph 2.1(f) of the Practice Note 17 on 11 February 2020. The original objective of safeguard the Group and the Company to continue as a going concern could not be met. On 18 February 2025, the Company has made a requisite announcement to undertake the proposed regularisation plan to regularise its financial condition in accordance with Paragraph 8.04(3) of the Main Market Listing Requirements of Bursa Malaysia.

	GROUP	
	<u>2024</u>	<u>2023</u>
	RM'000	RM'000
Loans and borrowings	144,027	119,953
Payables and accrued liabilities	161,204	146,872
Less: Deposits, cash and bank balances	(33,224)	(41,260)
Net debt	<u>272,007</u>	<u>225,565</u>
Equity attributable to the owners of the Company	<u>97,853</u>	<u>95,067</u>
Capital and net debt	<u>369,860</u>	<u>320,632</u>
Gearing ratio	<u>74%</u>	<u>70%</u>

There were no changes in the approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

GAINS OR (LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<b>Financial assets</b>				
<u>Fair Value Through Profit or Loss</u>				
Net gains recognised in profit or loss by:				
- mandatorily required by MFRS 9	3	5	1	2
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	2,230	157	(4,417)	(4,011)
<b>Financial liabilities</b>				
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	<u>(3,895)</u>	<u>(2,232)</u>	<u>3,621</u>	<u>4,963</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

30 FAIR VALUE INFORMATION

The fair values of the financial assets and financial liabilities of the Group and of the Company which are maturing within the next 12 months approximated their carrying amounts due to the relatively short-term maturity of the financial instruments or repayable on demand terms.

The disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table sets out the fair value profile of financial assets that are measured at fair value:

	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<u>At 31 December 2024</u>				
GROUP				
<u>Asset</u>				
Other investments	129	0	25	154
COMPANY				
<u>Asset</u>				
Other investments	46	0	0	46
<u>At 31 December 2023</u>				
GROUP				
<u>Asset</u>				
Other investments	126	0	25	151
COMPANY				
<u>Asset</u>				
Other investments	45	0	0	45

The fair values of the short term investments of the Group and of the Company are based on quoted market prices in active market and are therefore classified in Level 1.

The fair value of unquoted equity investment of the Group and of the Company is determined to approximate the net assets value of the investee as it is immaterial in the context of the financial statements.

PERAK CORPORATION BERHAD  
(Registration no.: 199101000605 (210915-U))  
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

30 FAIR VALUE INFORMATION (CONTINUED)

The fair value of hire purchase and redeemable cumulative preference shares that carry fixed interest rates are determined by discounting the relevant future contractual cash flows using current market interest rates for similar instruments at the end of the reporting period and the fair value is within Level 2 of the fair value hierarchy.

The fair value of the borrowings that carry floating interest rates approximated their carrying amounts as they are repriced to market interest rates on or near the reporting date.

There were no transfers between level 1 and 2 during the current financial year and previous financial year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

### 31 SEGMENT REPORTING

Operating segments are prepared in a manner consistent with the internal reporting provided to the Board as its chief operating decision maker in order to allocate resources to segments and to assess their performance on a quarterly basis. For management purposes, the Group is organised into business units based on their services provided.

The Group operates in Malaysia under four business segments:

- Ports and logistics - maritime services in respect of the development of an integrated privatised project and encompassing operations of multipurpose port facilities, operation and maintenance of a bulk terminal, sales and rental of port related land and other ancillary activities.
- Property development - township development of real property and ancillary services.
- Hospitality and tourism - hotelier, restaurateur and theme park.
- Management services and others - provision of management services and other business segments which include property investment and distribution, none of which are of a sufficient size to be reported separately.

Intersegment revenue comprises rental and food and beverages earned by the hotel operator and rental of office premises to entities with the Group. These transactions are transacted at terms agreed between the segments.

Unallocated assets include current tax assets. Unallocated liabilities include current tax liabilities and deferred tax liabilities.

The chief operating decision makers assesses the performance of the reportable segments based on their operating income. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Each reportable segment assets is measured based on all assets (including goodwill) of the segment other than investments in associates and tax-related assets. Each reportable segment liabilities is measured based on all liabilities of the segment other than tax-related liabilities.

Assets, liabilities and expenses which are common and cannot be meaningfully allocated to the reportable segments are presented under unallocated items. Transactions between reportable segments are carried out on agreed terms between both parties. The effects of such inter-segment transactions are eliminated on consolidation.

All revenue of the Group are generated in Malaysia and all non-current assets of the Group are located in Malaysia. For the current financial year, the revenue of 2 (2023: 2) customers contributed more than 10% of the total revenue of the Group amounted to RM44,664,000 and RM16,262,000 (2023: RM48,195,480 and RM18,549,311) respectively.

The basis of measurement of reported segment profit or loss, segment assets and segment liabilities is consistent with the basis used for the statements of comprehensive income of the Group for the financial year ended 31 December 2024 and the statements of financial position as at 31 December 2024. The components of the segment assets and liabilities include classes of assets and liabilities disclosed in the statements of financial position.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**31 SEGMENT REPORTING (CONTINUED)**

**(a) Analysis of results and financial position**

<u>2024</u>	<u>Ports and logistics</u> RM'000	<u>Property development</u> RM'000	<u>Hospitality and tourism</u> RM'000	<u>Management services and others</u> RM'000	<u>Total</u> RM'000
Revenue:					
Total revenue	129,605	0	24,849	8,570	163,024
Less: Inter-segment revenue	0	0	(2,542)	(6,598)	(9,140)
Revenue from external customers	129,605	0	22,307	1,972	153,884
Revenue from contracts with customers:					
Timing of revenue recognition					
- At a point in time	2,859	0	11,865	0	14,724
- Over time	126,746	0	10,442	1,972	139,160
Results:					
Profit/(Loss) from operations	38,937	(4,077)	(1,050)	(364)	33,446
Finance costs	(140)	0	(1,010)	(4,636)	(5,786)
Profit/(Loss) before tax	38,797	(4,077)	(2,060)	(5,000)	27,660
Tax expense	(10,260)	0	(501)	(107)	(10,868)
Net profit/(loss) for the financial year	28,537	(4,077)	(2,561)	(5,107)	16,792

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**31 SEGMENT REPORTING (CONTINUED)**

**(a) Analysis of results and financial position (continued)**

	2024	Ports and logistics RM'000	Property development RM'000	Hospitality and tourism RM'000	Management services and others RM'000	Total RM'000
Included in profit/(loss) from operations are:						
- interest income	(442)	0	0	(9)	(11)	(462)
- fair value gain on other investments	0	0	0	0	(3)	(3)
- reversal of impairment losses on trade and other receivables	(136)	0	0	(212)	0	(348)
- reversal of impairment losses on amount due from related parties	0	0	0	0	(3,424)	(3,424)
- reversal of impairment losses on property, plant and equipment	0	0	0	(933)	0	(933)
- reversal of impairment loss on right-of-use assets	0	0	0	(160)	0	(160)
- reversal of inventories previously written down	(1,192)	0	0	0	0	(1,192)
- reversal of impairment losses on financial guarantee contracts	0	0	0	0	(1,891)	(1,891)
- net gain on disposal of a deemed acquired subsidiary	0	0	0	0	(1,793)	(1,793)
- amortisation of intangible assets	356	0	0	0	0	356
- depreciation of property, plant and equipment, port facilities, investment properties and right-of-use assets	9,358	0	0	2,564	313	12,235
- impairment losses on trade and other receivables	0	0	0	320	150	470
- impairment losses on amounts due from related parties	0	0	0	1,127	408	1,535
- impairment losses of property, plant and equipment	0	0	0	9	0	9

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position (continued)

2024	Ports and logistics RM'000	Property development RM'000	Hospitality and tourism RM'000	Management services and others RM'000	Total RM'000
Segment assets	417,851	82,443	86,802	1,690	588,786
Unallocated assets	1,928	0	3	142	2,073
Total assets	419,779	82,443	86,805	1,832	590,859
Segment liabilities	45,246	26	73,994	185,965	305,231
Unallocated liabilities	14,753	0	469	1,435	16,657
Total liabilities	59,999	26	74,463	187,400	321,888
Capital expenditure	70,475	0	1,749	11	72,235



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**31 SEGMENT REPORTING (CONTINUED)**

**(a) Analysis of results and financial position (continued)**

<u>2023</u>	<u>Ports and logistics</u> RM'000	<u>Property development</u> RM'000	<u>Hospitality and tourism</u> RM'000	<u>Management services and others</u> RM'000	<u>Total</u> RM'000
Revenue:					
Total revenue	136,627	0	24,729	8,664	170,020
Less: Inter-segment revenue	0	0	(2,549)	(6,820)	(9,369)
Revenue from external customers	136,627	0	22,180	1,844	160,651
Revenue from contracts with customers:					
Timing of revenue recognition					
- At a point in time	3,582	0	11,442	0	15,024
- Over time	133,045	0	10,738	1,844	145,627
Results:					
Profit/(Loss) from operations	44,916	(2,200)	3,002	(5,526)	40,192
Finance costs	(412)	0	(955)	(6,772)	(8,139)
Profit/(Loss) before tax	44,504	(2,200)	2,047	(12,298)	32,053
Tax expense	(11,709)	0	(809)	(146)	(12,664)
Net profit/(loss) for the financial year	32,795	(2,200)	1,238	(12,444)	19,389

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**31 SEGMENT REPORTING (CONTINUED)**

**(a) Analysis of results and financial position (continued)**

	<b>2023</b>	<b>Ports and logistics RM'000</b>	<b>Property development RM'000</b>	<b>Hospitality and tourism RM'000</b>	<b>Management services and others RM'000</b>	<b>Total RM'000</b>
Included in profit/(loss) from operations are:						
- interest income		(726)	0	(2)	(217)	(945)
- fair value gain on other investments		0	0	0	(5)	(5)
- gain on lease modification		(3)	0	0	0	(3)
- reversal of impairment losses on trade and other receivables		(1,069)	0	(12)	0	(1,081)
- reversal of impairment losses on amount due from related parties		0	0	(42)	(267)	(309)
- reversal of impairment losses on financial guarantee contracts		0	0	0	(247)	(247)
- waiver of interest expense and penalty		0	0	(1,461)	(4,199)	(5,660)
- gain on disposal of a leasehold land held for development		0	0	(2,244)	0	(2,244)
- gain on disposal of property, plant and equipment		(72)	0	0	0	(72)
- amortisation of intangible assets		911	0	0	0	911
- depreciation of property, plant and equipment, port facilities, investment properties and right-of-use assets		8,004	0	3,220	768	11,992
- impairment losses on trade and other receivables		278	0	103	211	592
- impairment losses on amounts due from related parties		645	0	18	924	1,587
- impairment losses of property, plant and equipment		0	0	24	0	24

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)**

**31 SEGMENT REPORTING (CONTINUED)**

**(a) Analysis of results and financial position (continued)**

2023

Included in profit/(loss) from operations are: (continued)

- property, plant and equipment written off
- inventories written down

	Ports and logistics RM'000	Property development RM'000	Hospitality and tourism RM'000	Management services and others RM'000	Total RM'000
	325	0	0	0	325
	25	0	0	0	25
Segment assets	374,164	74,712	88,797	2,380	540,053
Unallocated assets	0	0	3	128	131
Total assets	374,164	74,712	88,800	2,508	540,184
Segment liabilities	18,152	18	75,084	173,571	266,825
Unallocated liabilities	13,822	0	1,329	1,029	16,180
Total liabilities	31,974	18	76,413	174,600	283,005
Capital expenditure	15,340	0	996	51	16,387

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

32 FINANCIAL GUARANTEE CONTRACTS

	GROUP		COMPANY	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	RM'000	RM'000	RM'000	RM'000
<u>Corporate guarantees given to banks for</u>				
<u>credit facilities granted to:</u>				
Amount guaranteed				
Subsidiaries	0	0	72,766	72,766
Associates	24,697	24,697	24,697	24,697
A former subsidiary	963	963	963	963
	<u>25,660</u>	<u>25,660</u>	<u>98,426</u>	<u>98,426</u>

For corporate guarantees granted to associates and its subsidiaries, the Group and the Company have performed the assessment on the risk of defaults and have made the necessary loss allowance on the financial guarantee contracts as disclosed in Note 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

33 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 8 January 2024, the Company has entered into a Joint Venture Agreement (“JVA SVTP”) with PKNP to establish a synergistic collaboration and to jointly carry out the development of Silver Valley Technology Park (“SVTP”) Industrial Hub on thirty-nine (39) pieces of leasehold lands all located in Mukim Hulu Kinta, Daerah Kinta, Perak with a term of 99 years expiring on 28 June 2112 measuring a total gross area of approximately 798.32 acres, as defined in the said agreement, sale of industrial plots and other product offerings to end-purchasers and end-users in furtherance to the development initiatives set out in the Master Development Agreement (“MDA”) dated 31 March 2023. PKNP is entitled to basic revenue share of RM9.70 per square foot of each industrial plot sold.

In tandem with the execution of the JVA SVTP, the Company has on 8 January 2024 entered into a Joint Development Agreement with Advancecon Development Sdn Bhd for the implementation and carrying out the main infrastructure works for SVTP Industrial Hub and sale of completed industrial lots with main infrastructure on thirty-nine (39) pieces of leasehold lands all located in Mukim Hulu Kinta, Daerah Kinta, Perak as defined in the said agreement.

- (b) On 17 January 2024, the creditors’ voluntary winding-up of PCB Development has been set aside by the High Court of Kuala Lumpur (“the said Decision”) via the Originating Summons No. WA-28PW-317-07/2022 dated 27 June 2022 by Affin Hwang Investment Bank Berhad, Affin Bank Berhad, Bank Pembangunan Malaysia Berhad and Malaysia Debt Ventures Berhad against PCB Development and Liquidators (“Respondents”). On 27 February 2024, stay of the said Decision was refused by the High Court. Meanwhile, appeals have been filed by the Respondents against the said Decision to the Court of Appeal on 24 January 2024. The appeal is fixed for case management on 20 May 2024.
- (c) On 2 February 2024, the Company has entered into a (second) supplemental agreement with TMHTP for an early settlement of the Company’s entitlement of Parcel 2 Land under the proposed joint development for a total consideration of RM63,500,000.00 as full and final settlement towards the Company’s entitlement in respect of Parcel 2 Land pursuant to the supplemental agreement to the Joint Venture Agreement dated 10 September 2019.
- (d) On 9 February 2024, the Company submitted a further extension of time application to Bursa Malaysia for a period of twelve (12) months up to 9 February 2025 to submit the Company’s regularisation plan to the relevant regulatory authorities.
- (e) On 8 March 2024, the Company has entered into a joint development agreement (“JDA”) with PKNP to collaborate with each other to jointly carry out the development of the land alienated by the State Authority of Perak (“State”) to PKNP pursuant to a State approval of alienation dated 26 January 2023 bearing file reference No: PTG.PK602/5-189(26) (B) into a gated and guarded housing scheme comprising double storey bungalow, double storey semi-detached houses and double storey terrace houses and to undertake their respective roles and obligations set out in the JDA in furtherance to the development initiatives set out in the MDA dated 31 March 2023.

In tandem with the execution of the JDA, the Company and PKNP have on 8 March 2024 entered into a joint venture agreement with Unipoh to jointly undertake the construction and completion of a gated and guarded housing scheme comprising double storey bungalow, double storey semi-detached houses and double storey terrace houses on a parcel of land located in Bandar Meru Raya, Mukim Hulu Kinta, Perak Darul Ridzuan measuring approximately 43.79 acres in area and to market and carry out sales of the units from the development to end purchasers.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

33 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTINUED)

- (f) On 29 March 2024, the Company entered into a Share Sale and Purchase Agreement in relation to disposal of 100% shares and interest in PCB Development on a willing buyer-willing seller and on a “as is where is” basis to Rescene Sdn Bhd for a purchase price of RM1.00. The transaction was completed on the same day. The decision to dispose of PCB Development was made after careful consideration and thorough evaluation of PCB Development’s significant negative financial standing, its non-going concern status and the creditors’ voluntary winding-up.
- (g) On 9 May 2024, Bursa Malaysia has resolved to grant the Company for a further extension of time of six (6) months up to 10 August 2024 to submit its regularisation plan to the relevant regulatory authorities for approval.
- (h) On 7 June 2024, the Company entered into a Joint Development Agreement (“JDA”) with Urbax Properties Sdn Bhd (“Urbax”) to undertake a housing development project on the lands held under Geran 178753, Lot No. 516682, Geran 178754, Lot No. 516683 and Geran 151067, Lot No. 516687 all in Mukim Hulu Kinta, Daerah Kinta, Negeri Perak Darul Ridzuan with a total area measuring approximately 24.807 acres. The composition of the development and type of properties to be developed are subject to the agreement of the parties through a supplemental agreement based on the surveyor and town planner reports to be obtained within six (6) months from the date of the JDA and as may be approved by the appropriate authorities.
- (i) On 9 August 2024, the Company submitted a further extension of time application to Bursa Malaysia of ten (10) months i.e. up to 10 June 2025 to submit the Company’s Regularisation Plan to the relevant regulatory authorities.

On 17 September 2024, Bursa Malaysia has resolved to grant the Company for a further extension of time of six (6) months up to 9 February 2025 to submit its regularisation plan to the relevant regulatory authorities for approval.

- (j) On 13 November 2024, the Company entered into a Second Supplemental Agreement (“Second Supplemental Agreement”) with MIP to vary the terms in the principal agreement dated 10 September 2019 (“Principal Agreement”) and the first supplemental agreement dated 17 August 2023 (“First Supplemental Agreement”).
- (k) On 13 November 2024, the Company entered into a supplemental agreement to the joint venture agreement (“JVA”) dated 10 September 2019 (“Third SA JVA”) with TMHTP to revoke the supplemental agreement dated 16 August 2023 (“SA JVA”) and second supplemental agreement dated 2 February 2024 (“Second SA JVA”) and vary the terms of the JVA dated 10 September 2019 and for TMHTP to settle Perak Corp’s JVA Entitlement in respect of Parcel 2 and Parcel 3. Subsequent to the execution of Third SA JVA, the Company has on even date entered into a sale and purchase agreement with TMHTP to transfer Parcel 2 Land and Parcel 3 Lands.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

34 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL YEAR

- (a) On 6 January 2025, an originating summons (Ipoh High Court Originating Summons No. AA-24NCC-1-01/2025) was filed by the plaintiffs, namely Paramount Grace Sdn Bhd, Avaiden Secure System, Blueblack Production Sdn Bhd, SJEE Engineering Sdn Bhd, Gai Leong Engineering Sdn Bhd, Arrowmedia Sdn Bhd, LCT System Sdn Bhd, AV Audio Video, and iCloud System Sdn Bhd (collectively "Plaintiffs"), against the Company and PCB Development. The Plaintiffs are seeking, among others, (i) a variation of the court order dated 23 July 2020 which granted leave for a court-convened meeting under Originating Summons No. AA-24NCC-3-09-07/2020, to exclude the Plaintiffs as scheme creditors; (ii) an order to set aside the Sanction Order dated 7 May 2021 which approved the Scheme of Arrangement dated 21 March 2020; and (iii) declarations that Perak Corp breached the terms of the Scheme of Arrangement and that the Plaintiffs are no longer bound by it.

The Company is closely monitoring the ongoing legal proceedings and, in consultation with its legal counsel, maintains the view that the Scheme of Arrangement sanctioned by the Court remains valid and enforceable. While the matter is still at a preliminary stage, the Company is of the view that there is no current evidence suggesting a material financial impact on the Group.

- (b) On 7 February 2025, the Company submitted a further extension of time application to Bursa Malaysia of six (6) months i.e. up to 9 August 2025 to submit the Company's regularisation plan to the relevant regulatory authorities. On 20 February 2025, Bursa Malaysia has resolved to grant the Company for a further extension of time of six (6) months up to 9 August 2025 to submit its regularisation plan to the relevant regulatory authorities for approval.
- (c) On 7 February 2025, the Company entered into a Collaboration Agreement with Spectrum Asets Sdn Bhd ("SASB") to collaborate and combine resources and expertise to implement and execute the proposed joint development of the land held under Geran 154028, Lot 517373 measuring approximately 50.014 acres and PN 1068933, Lot No. 559634 measuring approximately 4.57 acres both in Mukim of Hulu Kinta, District of Kinta, Perak into a proposed mix development project.
- (d) On 13 February 2025, the Company entered into a Supplemental Agreement with PKNP and Uni-Poh to modify, vary and supplement the terms of the joint venture agreement dated 8 March 2024 and to more particularly stipulate and specify the agreed liquidated value of Perak Corp's entitlement and the new mode of payment of the same.
- (e) On 13 February 2025, the Company entered into a Sale and Purchase Agreement with LMTSB, to dispose of three (3) plots of state land in Wilayah Batu Undan, Mukim of Lumut, District of Manjung, Perak measuring approximately 17.35 acres in total area to LMTSB for total cash consideration of RM8,530,000.00.
- (f) On 14 February 2025, the Company entered into a supplemental agreement with Urbax to modify, vary and supplement the terms of the joint development agreement dated 7 June 2024 particularly the conditions precedent and the development approvals, and to outline the gross development value, gross development cost and the payment method of Perak Corp's Entitlement.
- (g) On 18 February 2025, the Company has made a requisite announcement to undertake the Proposed Regularisation Plan to regularise its financial condition in accordance with Paragraph 8.04(3) of the Main Market Listing Requirements of Bursa Malaysia. The Company is in the final stages of preparation and is progressing towards the submission of the Proposed Regularisation to the relevant authorities.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

35 COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	As Previously Reported RM'000	As Restated RM'000
Consolidated Statement of Comprehensive Income and Other Comprehensive Income (Extract):-		
COST OF SALES	(70,316)	(74,527)
ADMINISTRATIVE EXPENSES	(59,760)	(55,549)
	<hr/>	<hr/>

36 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 30 April 2025.



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# PERAK CORPORATION BERHAD

Registration No.: 199101000605 (210915-U)  
(Incorporated in Malaysia)

## FORM OF PROXY

(Before completing the form please refer to the notes below)

No. of ordinary shares held

I/We.....[NRIC/Passport/Company No. ....]  
(FULL NAME IN BLOCK CAPITALS)

of.....Tel No. ....  
(FULL ADDRESS)

being a member of **PERAK CORPORATION BERHAD**, hereby appoint:

Proxy 1 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address:			
Proxy 2 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address:			

or failing him/her, the Chairman of the Meeting, as my/our proxy to attend, speak and vote (collectively, "**Participate**") for me/us and on my/our behalf, at the **THIRTY-FOURTH ANNUAL GENERAL MEETING ("34<sup>th</sup>AGM")** of the Company to be held at Casuarina Convention Centre 3, Hotel Casuarina @ Meru, No. 1-C, Jalan Meru Casuarina, Bandar Meru Raya, 30020 Ipoh, Perak Darul Ridzuan on Monday, 30 June 2025 at 10.00 a.m. or at any adjournment thereof in the manner indicated below:

NO.	RESOLUTIONS	For	Against
1.	To approve the payment of Directors' fees and benefits up to an amount of RM662,000.00 from the date of the conclusion of this AGM until the date of the next AGM to be paid on a monthly basis.		
2.	To re-elect Dato' Seri Ir Mohamad Othman bin Zainal Azim as Director of the Company.		
3.	To re-elect Datuk Seri Dr Hj Hasim bin Hasan as Director of the Company.		
4.	To re-elect Tuan Haji Faizul Hilmy bin Ahmad Zamri as Director of the Company.		
5.	To re-appoint Messrs Crowe Malaysia PLT as Auditors of the Company.		
6.	Authority to Issue and Allot Shares		
7.	Proposed Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature		

(Please indicate with an "X" in the appropriate box above how you wish to cast your vote. If this form is returned without any indication as to how the proxy shall vote, the proxy shall vote or abstain as he/she thinks fit.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ in the year 2025.

Signature/Seal

### Notes:

- Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions at the AGM will be put to vote by way of poll.
- For the purpose of determining a member who shall be entitled to attend, speak and vote (collectively, "**Participate**") in this AGM, the Company shall be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a Record of Depositors as at **19 June 2025**. Only members whose names appear in the Record of Depositors as at 19 June 2025 will be entitled to Participate in this AGM.
- A member of the Company entitled to Participate at the meeting may appoint any person to be his/her proxy to Participate in his/her stead. A proxy may but need not be a member of the Company and there shall be no restriction as to the qualification of the proxy. A proxy shall have the same rights as the member to Participate at the meeting.
- Where a member 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 Authorised Nominee may appoint in respect of each omnibus account it holds.
- When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.
- The instrument appointing a proxy must be deposited at the Registered Office of the Company at No. 1 Jalan Lasam, 30350 Ipoh, Perak Darul Ridzuan at least forty-eight (48) hours before the time appointed for holding the AGM or at any adjournment thereof.
- The registration for the AGM will commence on Monday, 30 June 2025 at 9.00 a.m.

## CONTACT

PERAK CORPORATION BERHAD  
[ 199101000605 (210915-U) ]

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