



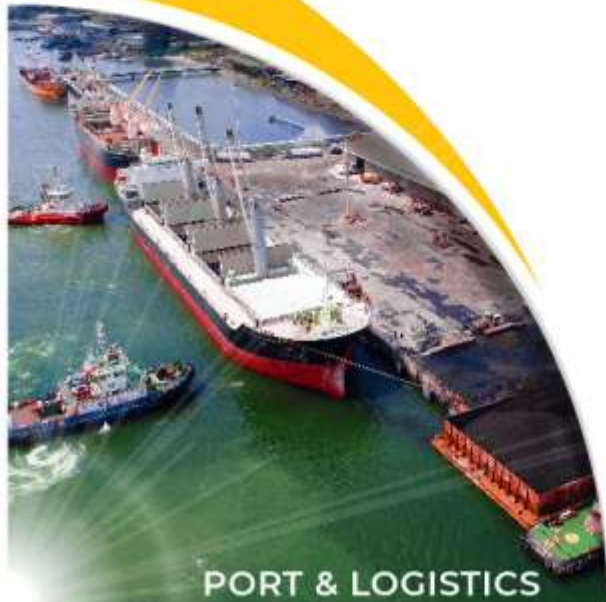
**PERAK  
CORPORATION  
BERHAD**

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

ANNUAL REPORT  
**2025**



**PROPERTY DEVELOPMENT**



**PORT & LOGISTICS**



**INDUSTRIAL PARK**



**HOSPITALITY & TOURISM**



**THRIVE**

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



**PERAK  
CORPORATION  
BERHAD**

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

**INCORPORATED IN MALAYSIA**

# **2025 ANNUAL REPORT**

## **CONTENTS**

**page**

<b>NOTICE OF ANNUAL GENERAL MEETING</b>	<b>2</b>
<b>CORPORATE INFORMATION</b>	<b>6</b>
<b>FINANCIAL HIGHLIGHTS</b>	<b>7</b>
<b>CORPORATE STRUCTURE</b>	<b>9</b>
<b>PROFILE OF DIRECTORS</b>	<b>10</b>
<b>KEY SENIOR MANAGEMENT</b>	<b>18</b>
<b>CHAIRMAN'S STATEMENT</b>	<b>19</b>
<b>MANAGEMENT DISCUSSION AND ANALYSIS</b>	<b>23</b>
<b>SUSTAINABILITY STATEMENT</b>	<b>29</b>
<b>CORPORATE GOVERNANCE OVERVIEW STATEMENT</b>	<b>88</b>
<b>STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL</b>	<b>104</b>
<b>AUDIT COMMITTEE REPORT</b>	<b>114</b>
<b>ADDITIONAL COMPLIANCE INFORMATION</b>	<b>119</b>
<b>ANALYSIS OF SHAREHOLDINGS</b>	<b>123</b>
<b>LIST OF MATERIAL PROPERTIES</b>	<b>125</b>
<b>STATEMENT OF DIRECTORS' RESPONSIBILITIES</b>	<b>127</b>
<b>REPORTS AND STATUTORY FINANCIAL STATEMENTS</b>	
<b>FORM OF PROXY</b>	<b>LAST PAGE</b>



## PERAK CORPORATION BERHAD

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

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Thirty-Fifth Annual General Meeting (“**AGM**”) of Perak Corporation Berhad (“**Company**”) will be held at Casuarina Convention Centre 1, Hotel Casuarina @ Meru, No. 1-C, Jalan Meru Casuarina, Bandar Meru Raya, 30020 Ipoh, Perak Darul Ridzuan on Thursday, 4 June 2026 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 2025 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) Datuk Redza Rafiq bin Abdul Razak **Resolution 2**
  - b) Andy Liew Hock Sim **Resolution 3**
  - c) Tan Chee Hau **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 2026 and to authorise the Directors to fix their remuneration. **Resolution 5**  
[Explanatory Note 4]

##### AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions with or without modifications:

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 2026, 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 2026

## 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 26 May 2026. Only members whose names appear in the Record of Depositors as at 26 May 2026 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 Form of Proxy can be submitted through either one of the following avenues no later than **Tuesday, 2 June 2026 at 10.00 a.m.** or at any adjournment thereof:
  - (i) Lodgement of Form of Proxy in hardcopy - To be deposited at the Poll Administrator, Tricor Investor & Issuing house Services Sdn Bhd’s office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
  - (ii) Electronic lodgement of Form of Proxy - The Form of Proxy can be lodged electronically via Vistra Share Registry and IPO (MY) Portal (“the Portal”) at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide for this AGM on the procedures for electronic lodgement of Form of Proxy via the Portal.
- h. The registration for the AGM will commence on Thursday, 4 June 2026 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 2025

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 22 April 2026 and 24 April 2026.

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 24 February 2026 and 25 February 2026. Upon deliberation, the Board (except for the Retiring Directors) collectively agreed that the Retiring Directors have satisfied the fit and proper requirement and have the appropriate mix of skill and experience as well as have 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 for re-election at the AGM.

The profiles of the Retiring Directors are disclosed under the Profile of 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 24 February 2026 and 25 February 2026 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 2026 issued together with the Annual Report 2025 of the Company.

## CORPORATE INFORMATION

### Board of Directors

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

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

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

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

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

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

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

**Noor Azlin binti Zainal Abidin**  
*Independent 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

**Rosmin bin Mohamed**  
*Group Chief Executive Officer*

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

#### COMPANY SECRETARY

Cheai Weng Hoong  
(LS 0005624)

#### REGISTERED OFFICE

No. 1, Jalan Lasam  
30350 Ipoh, Perak Darul Ridzuan

Tel. : +6 (05) 238 0612  
Email : info@sharedservices.com.my

#### REGISTRAR

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

Tel. : +6 (05) 238 0612  
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

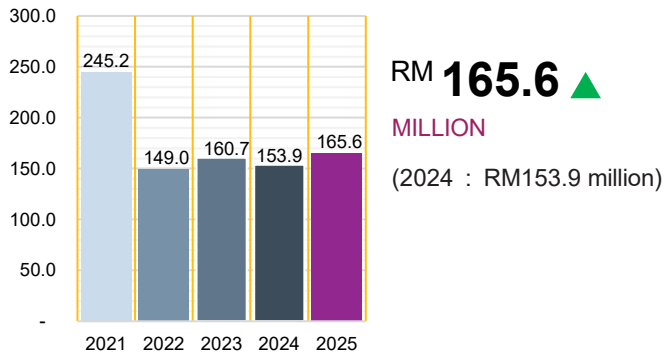
Financial year ended 31 December	2025	2024	2023	2022	2021
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Continuing Operations</u>					
Revenue	165,645	153,884	160,651	149,001	245,244
Earnings before interest, taxes, depreciation and amortisation	48,220	46,037	53,095	68,271	78,828
Profit before tax	29,541	27,660	32,053	41,827	49,040
Profit after tax	15,830	16,792	19,389	29,660	18,958
<u>Discontinued Operation</u>					
Revenue	-	-	-	-	-
Loss before interest, taxes, depreciation and amortisation	-	-	-	-	(2,526)
Loss before tax	-	-	-	-	(35,177)
Loss after tax	-	-	-	-	(34,930)
Net profit/ (loss) for the financial year	15,830	16,792	19,389	29,660	(15,972)
Profit/ (Loss) attributable to equity holders of the Company	1,023	2,786	2,859	13,359	(12,626)

		2025	2024	2023	2022	2021
Total assets	RM'000	692,970	590,859	540,184	526,659	549,208
Shareholders' equity	RM'000	279,801	268,971	257,179	242,790	218,130
Owners' equity	RM'000	98,876	97,853	95,067	92,208	78,849
Total borrowings	RM'000	215,204	144,027	119,953	127,955	183,212
Paid-up capital	Unit'000	100,000	100,000	100,000	100,000	100,000
Net assets per share	RM	2.80	2.69	2.57	2.43	2.18
Share price as at fiscal year-end	RM	0.74	0.42	0.48	0.25	0.42
Return on total assets	%	2.28	2.84	3.59	5.63	(2.91)
Return on equity	%	1.03	2.85	3.01	14.49	(16.01)
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	1.02	2.79	2.86	13.36	(12.63)
Price-earnings ratio	Times	72.34	15.05	16.78	1.87	N/A
Gearing ratio	%	78.74	73.54	70.35	70.10	77.40

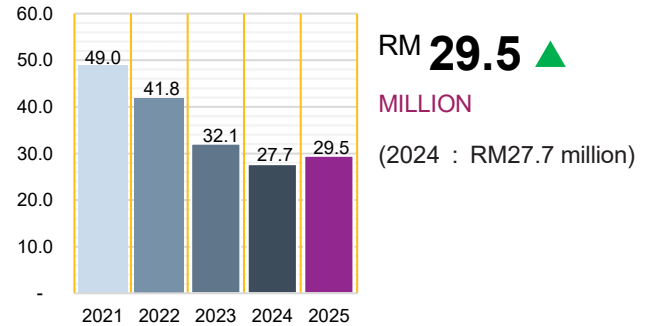
# FINANCIAL HIGHLIGHTS

## 5 Years Financial Highlights RM (million)

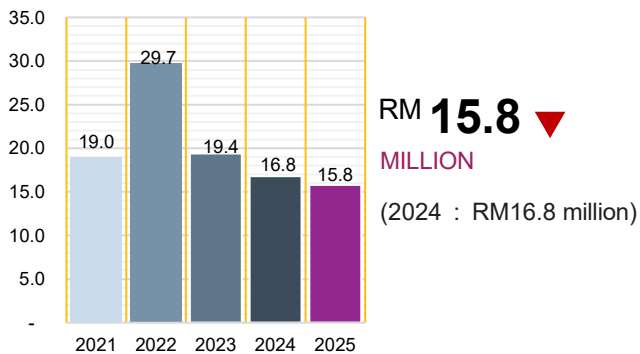
### Revenue



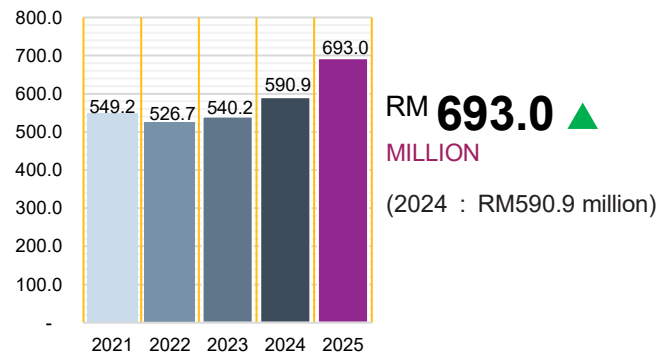
### Profit Before Tax (Continuing Operations)



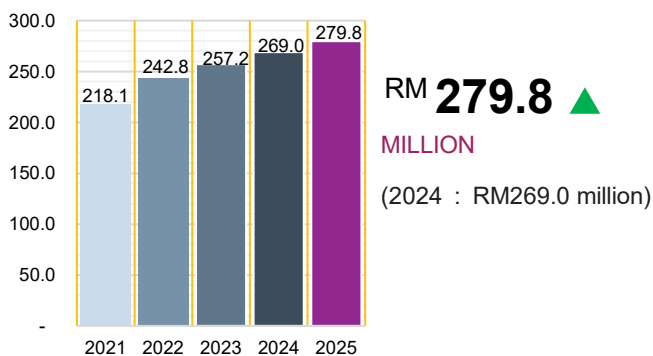
### Profit After Tax (Continuing Operations)



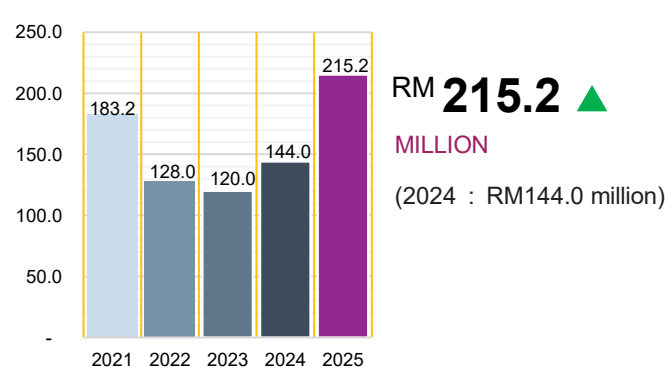
### Total Assets



### Shareholders' Equity

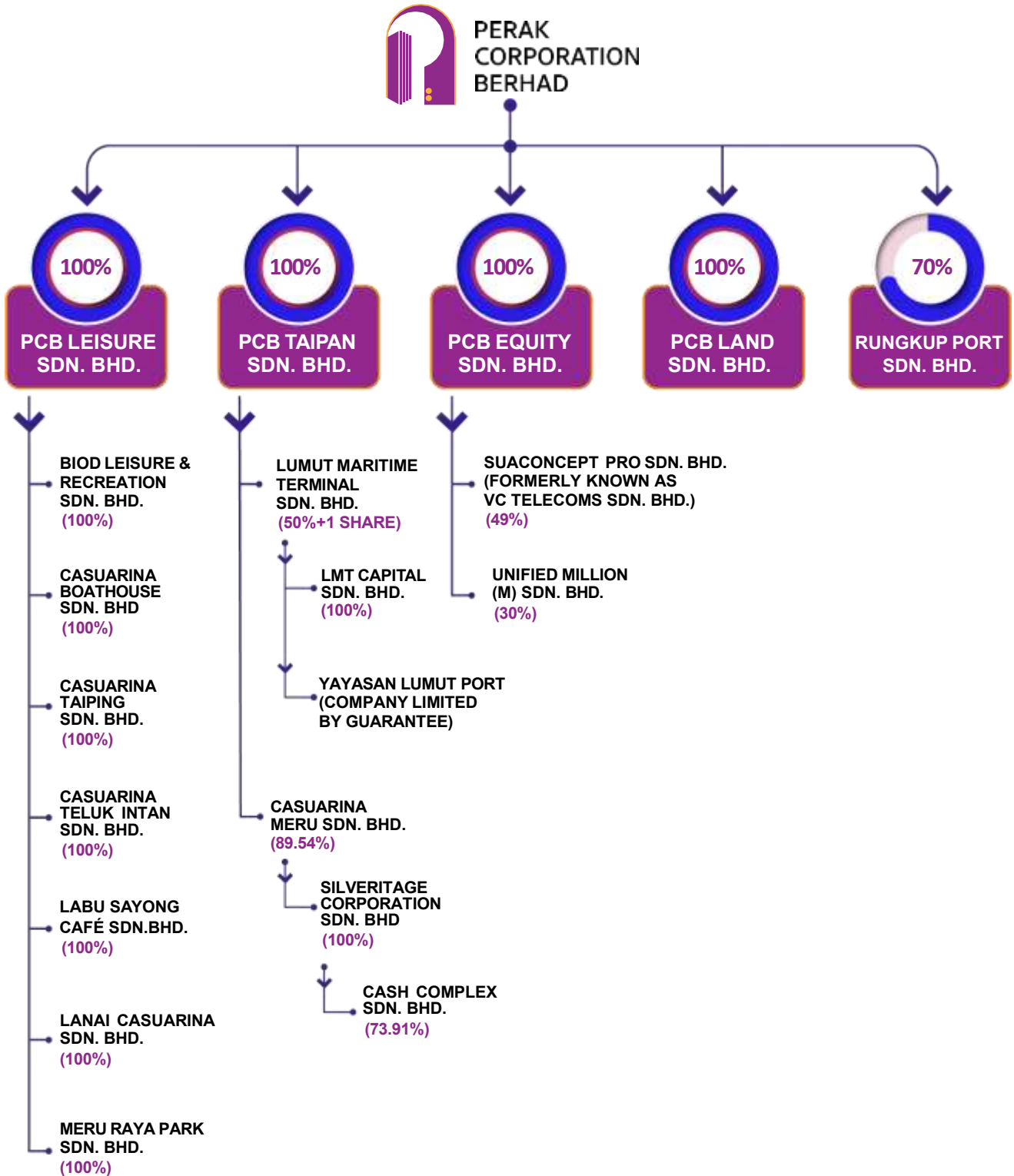


### Total Borrowings



# CORPORATE STRUCTURE

AS AT 31 DECEMBER 2025



## PROFILE OF DIRECTORS



DATUK  
REDZA RAFIQ  
BIN ABDUL RAZAK

*Chairman  
Non-Independent Non-Executive  
Director*

MALAYSIAN | MALE | AGE 58

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 appointed Vice Chairman on 24 May 2022 and became Chairman on 1 August 2022.

He currently serves as Chief Executive of Perbadanan Kemajuan Negeri Perak (PKNPk), the State of Perak's lead agency for economic and socio-economic development, and Executive Chairman of Majuperak Holdings Berhad, a key PKNPk subsidiary.

With over 30 years of experience, Datuk Redza brings extensive expertise in economic development, regional planning, and property investment. He has played pivotal roles in major national initiatives including Cyberjaya, the Northern Corridor Economic Region (NCER), the Special Border Economic Zone, Malaysia Vision Valley, and the Pagoh Special Economic Zone. He is recognised for strategic leadership, organisational transformation, and value creation through restructuring and new entity development.

He was instrumental in reviving the Silver Valley Technology Park (SVTP), a project dormant for nearly two decades. Since early 2025, under his leadership, the project has been repositioned as a major catalyst for industrial growth and regional economic development in Perak.

During his tenure at Cyberview Sdn Bhd, he led the organisation to sustained profitability, enabling consistent annual dividends and positioning Cyberview among the Malaysian Government's top dividend contributors in 2008. He also led Cyberfusion 2009 in Cyberjaya, an international event recognised by the Guinness World Records.

Internationally, he was invited to present Malaysia's Shared Value initiatives to former United States Secretary of State Hillary Clinton and Professor Michael Porter. 10

He received the "Tokoh Cemerlang" award from Universiti

Malaysia Perlis (UniMAP) in 2013 and was later conferred an Honorary Doctorate in Economics. In 2014, he received the Innovative Planning Award from the Malaysian Institute of Planners for the Belum-Temengor Tropical Rainforest Integrated Masterplan.

Between 2014 and 2017, development corridors under his leadership were recognised by the Malaysian Investment Development Authority (MIDA) as the best performing in private sector investment. Before his secondment, he was also a consistent recipient of the Employee Excellence Award by the Malaysia Digital Economy Corporation (MDEC).

Datuk Redza holds a Bachelor of Economics and Business (Hons) from the University of Hull, United Kingdom, and was named an Alumni Laureate.

Throughout his career, he has served on the boards of numerous 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. He has also contributed to joint ventures involving Sime Darby Property, Mitsui & Co., Mitsubishi Estate, and CapitaLand Singapore, particularly in industrial development and retail management.

On 3 December 2025, he was conferred the "Officer in the Order of the Crown" by His Majesty King Philippe of Belgium in recognition of his leadership of PKNPk and contributions to the Lumut Maritime Industrial City through strategic collaboration with Port of Antwerp-Bruges International.

He attended all nine (9) Board meetings held during the financial year ended 31 December 2025. He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



Andy Liew Hock Sim was appointed to the Board of Perak Corporation Berhad as the Independent 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 Practising 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 and public listed company. 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 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, reverse takeovers, 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 nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



Tan Chee Hau was appointed to the Board of Perak Corporation Berhad as the Independent 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 nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



Ahmad Yani bin Aminuddin was appointed to the Board of Perak Corporation Berhad as the Independent 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 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.

He attended all nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



**FAIZUL HILMY  
BIN AHMAD ZAMBRI**

*Independent Non-Executive Director*

MALAYSIA | MALE | AGE 59

Faizul Hilmy bin Ahmad Zamri was appointed to the Board of Perak Corporation Berhad as the Independent 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 until the present time 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 the senior partner of the law firm, he advises and has acted for various institutions and corporations including, amongst other: 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 attended all nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



Dato' Seri Ir. Mohamad Othman bin Zainal Azim was appointed to the Board of Perak Corporation Berhad as the Independent 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 Public 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, UM Specialist Centre, Chairman of UM Property Holdings Sdn Bhd and Pusat Perubatan University Malaya.

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

Dato' Seri Ir. Mohamad Othman is currently the Chairman of Straits Consulting Engineers Sdn. Bhd. and a director of several private companies. He resigned as a Director of TCS Group Holdings Berhad on 30 September 2025.

He attended seven (7) out of nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



Datuk Seri Dr. Hj Hasim bin Hasan was appointed to the Board of Perak Corporation Berhad as the Independent 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 with a Bachelor of Arts in Political Science (Hons) and holds a Doctor of Philosophy in Strategic Studies from Universiti Utara Malaysia. 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 attended eight (8) out of nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

He has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## PROFILE OF DIRECTORS



**NOOR AZLIN  
BINTI ZAINAL ABIDIN**

*Independent Non-Executive Director*

MALAYSIA | FEMALE | AGE 61

Noor Azlin binti Zainal Abidin was appointed to the Board of Perak Corporation Berhad as the Independent 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, Kumpulan Wang Simpanan Pekerja, and Malaysian Administrative Modernisation and Management Planning Unit, 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 ICT for Majlis Agama Islam Selangor for the 2024-2025 session. She is also a member of the Institute of Corporate Directors Malaysia.

She attended all nine (9) Board of Directors' meetings held during the financial year ended 31 December 2025.

She has no family relationship with any Director and/or major shareholder of the Company and has not been convicted of any offence within the past five (5) years, nor subject to any public sanction or regulatory penalty.

## KEY SENIOR MANAGEMENT



### 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 project.*
- ◆ *Senior Director of Development Division at Northern Corridor Implementation Authority.*
- ◆ *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.*



“

*Dear Shareholders,*

*I am pleased to present the Annual Report of Perak Corporation Berhad for the financial year ended 31 December 2025*

Dear Shareholders,

### **A Year of Progress in Regularisation**

The year under review marks an important phase in Perak Corporation Berhad (“Perak Corp” or “the Company”) and its subsidiaries (collectively referred to as “the Group”) journey towards recovery and stabilisation.

Over the past several years, the Group has navigated a challenging operating environment arising from financial constraints, operational disruptions and requirements associated with our classification as a PN17 issuer. These circumstances have required discipline, resilience and a clear sense of direction. Throughout this period, the Board and Management have remained focused on strengthening the Group’s financial position, preserving value within our core businesses and advancing the necessary steps towards regularisation.

In 2025, these efforts translated into meaningful progress.

Following the requisite announcement on 18 February 2025 and the submission of the Proposed Regularisation Plan on 9 May 2025, the Group achieved a significant milestone when Bursa Malaysia Securities Berhad (“Bursa Securities”) approved the Proposed Regularisation Plan on 19 January 2026. This was subsequently endorsed by our shareholders at the Extraordinary General Meeting held on 27 February 2026.

As at the date of this Statement, the Group is in the implementation phase of the Proposed Regularisation Plan. This marks a clear transition from planning to execution, following sustained efforts undertaken since the Company was classified as a PN17 issuer in 2020. This phase establishes a more structured pathway for the Group to strengthen its financial footing, unlock asset value and move towards the regularisation of its status.

### **Financial Performance**

For the financial year ended 31 December 2025 (“FY2025”), the Group recorded revenue of RM165.6 million, compared with RM153.9 million in the preceding financial year ended 31 December 2024 (“FY2024”). Net profit stood at RM15.8 million, as compared with RM16.8 million in FY2024.

While profitability moderated from the previous year, the Group remained profitable and achieved higher revenue, reflecting the underlying stability of its operating businesses despite a more challenging cost environment. In the context of ongoing regularisation efforts and the need to maintain prudent financial discipline, the Board views this performance as encouraging.

## **Lumut Port at 30<sup>th</sup> Anniversary**

The ports and logistics segment remains the Group's principal earnings pillar, underpinning its financial resilience and operational stability.

2025 was also a meaningful year for Lumut Port as it marked its 30th anniversary. Since its establishment in 1995, Lumut Port has grown into a key maritime gateway supporting industrial activity, trade and logistics within the State of Perak. Its development over the past three decades reflects the Group's longstanding role in contributing to the State's economic growth.

The ongoing development of Lumut Maritime Terminal 2 ("LMT2") remains an important priority for the Group, as it is expected to strengthen capacity, improve operational efficiency and enhance the long-term competitiveness of the port. This continued investment reflects the Group's commitment to reinforcing its strongest business pillar while supporting the State's wider economic and industrial development agenda.

Lumut Port's commitment to operational excellence, workplace safety and sustainability was also recognised through several industry accolades, including the Malaysian Society for Occupational Safety and Health ("MSOSH") Gold Class 1 Award 2025, the Prime Minister's Hibiscus Award – Notable 2025, and the Sustainability & CSR Award Malaysia – Company of the Year (Port Operation) 2025. Taken together, these recognitions reflect the Group's continued emphasis on responsible and sustainable operations.

## **Strategic Development and Asset Optimisation**

The Group's Five-Year Strategic Development Plan 2024–2028 ("SDP") continues to guide our priorities as we move forward. The SDP provides a structured framework to stabilise our financial position, optimise our asset base and position the Group for sustainable growth across our core sectors.

During the year, the Group continued to advance initiatives centred on asset optimisation and strategic collaborations, particularly in relation to our landbank in Bandar Meru Raya. These efforts are essential in supporting the implementation of the Proposed Regularisation Plan while ensuring that value is realised in a disciplined and phased manner.

The year under review saw a continued focus on accelerating the development of the Silver Valley Technology Park ("SVTP") as the key industrial development initiative for the State of Perak. Advancements in planning, approvals, physical works and investor interest during the year reinforced its long-term relevance as a platform for industrial growth, investment attraction and job creation. Ultimately, these milestones position SVTP as a cornerstone of the State's transition toward a high value, technology driven economy.

## **Repositioning Our Hospitality Portfolio**

In the hospitality and tourism segment, the Casuarina brand continues to be an important part of the Group's operating portfolio and market presence in the State.

Hotel Casuarina @ Meru remains the Group's flagship asset and continues to serve as a key venue for corporate functions, events and MICE activities. Hotel Casuarina @ Kuala Kangsar complements the Group's hospitality portfolio with its strong positioning in the heritage and domestic travel segment, contributing to the Group's overall brand presence across the State.

At the same time, the Group continues to advance the development of Hotel Casuarina @ Teluk Intan as part of its longer-term expansion plans.

The Group has also taken steps to review and reposition certain tourism-related assets in line with market conditions and longer-term tourism priorities. In this regard, Casuarina Houseboat @ Temenggor 1 and Hotel Casuarina @ Pangkor have entered a strategic hiatus to allow for the reassessment and enhancement of these assets. This move aligns with broader initiatives to elevate Perak's tourism portfolio ahead of Visit Malaysia 2026, coinciding with a comprehensive state-level refresh and upgrading effort.

While these initiatives may have a short-term impact on operations, they are expected to strengthen the long-term competitiveness of these assets and improve overall visitor experience.

### **Building for a Sustainable and Future-Ready Portfolio**

The Group also continued to take measured steps towards enhancing operational efficiency and supporting broader sustainability objectives.

During the year, initiatives undertaken included the installation of solar photovoltaic systems under the Net Energy Metering ("NEM") scheme, the introduction of electric vehicle charging infrastructure, as well as the exploration of renewable energy and smart infrastructure opportunities such as solar farm developments and smart water metering solutions.

These initiatives are aligned with broader sustainability priorities and the State's development agenda. While still at different stages of implementation, they reflect the Group's intention to strengthen operational efficiency and participate selectively in future-oriented sectors in a measured and disciplined manner.

### **Upholding Governance and Institutional Discipline**

As the Group progresses into the implementation phase of the Proposed Regularisation Plan, the importance of sound governance, accountability and disciplined execution remains paramount. The Board continues to place strong emphasis on oversight, transparency and risk management to ensure that the Group's priorities are carried out responsibly and in the best interests of all stakeholders.

During the year, the Group also strengthened its governance and integrity framework. This included progress towards certification under the ISO 37001 Anti-Bribery Management System, where Lumut Maritime Terminal Sdn Bhd ("LMTSB") successfully obtained approval for the Stage 2 audit. As at the date of this Statement, the Company has also obtained the Corporate Integrity System Malaysia Compliance Certificate following a successful audit conducted by the Malaysian Institute of Integrity. These developments reflect the Group's continued commitment to upholding high standards of integrity, transparency and ethical conduct across its operations.

### **Looking Ahead**

Our priorities moving forward are clear.

First, we must ensure the timely and orderly implementation of the Proposed Regularisation Plan. Second, we must continue to strengthen the performance of our core businesses, particularly the ports and logistics segment which remains the backbone of the Group's earnings. Third, we must continue to pursue asset optimisation and strategic initiatives with financial discipline and a measured approach to growth.

Challenges remain, and the road ahead still requires careful execution. Nevertheless, the progress achieved over the past year provides a firmer footing for the Group. Having secured the necessary regulatory and shareholder approvals for the Proposed Regularisation Plan, Perak Corp is now in a more definitive phase of implementation. This represents an important turning point for the Group.

## **Appreciation**

On behalf of the Board of Directors (“Board”), I would like to extend my sincere appreciation to my fellow Directors for their guidance, stewardship and support throughout the year.

I also wish to thank the Management team and all employees across the Group for their dedication and perseverance during a period that required continued focus and resilience.

To our shareholders, business partners and all stakeholders, thank you for your continued trust and support. We remain committed to carrying forward this next phase with discipline, responsibility and a clear sense of purpose.

Thank you.

**Datuk Redza Rafiq bin Abdul Razak**  
**Chairman**  
**30 April 2026**

# MANAGEMENT DISCUSSION AND ANALYSIS

FY 2025

## OVERVIEW

Perak Corp is a diversified public listed company with interests in various sectors, including port and logistics, property development, hospitality and tourism and management services. The business operations of the Group are primarily focused in the state of Perak.

During FY2025, the Group recorded improved financial performance, with revenue increasing to RM165.6 million and profit before tax rising to RM29.5 million, supported primarily by stronger contributions from the ports and logistics segment.

The Group continued to operate within a disciplined financial and operational framework in managing the constraints associated with its PN17 status. Throughout the year, Management remained focused on maintaining operational stability, strengthening cash flow management and preserving value across its core business segments.

Key priorities during FY2025 centred on asset monetisation, cost optimisation and operational efficiency improvements. These initiatives contributed to improved revenue and operating performance, particularly within the ports and logistics segment, while losses in other segments were contained through tighter cost management and operational adjustments.

In parallel, the Group submitted its Proposed Regularisation Plan to Bursa Securities in May 2025, marking a significant step in its regularisation efforts. The Proposed Regularisation Plan comprises a series of initiatives, including asset monetisation, strategic collaborations and capital restructuring measures, representing a structured pathway to strengthen the Group's financial position and unlock value over time.

Subsequent to the financial year end, the Proposed Regularisation Plan was approved by Bursa Securities on 19 January 2026 and by shareholders at the Extraordinary General Meeting held on 27 February 2026. The Group has since moved into the implementation phase, with focus on executing identified initiatives in a structured and phased manner.

Overall, FY2025 represents a year of operational consolidation, improved financial performance and disciplined execution, providing a stronger foundation for the next phase of the Group's regularisation efforts.

## FINANCIAL REVIEW

The Group recorded revenue of RM165.6 million in FY2025, representing an increase of 7.6% compared to RM153.9 million in FY2024, primarily driven by stronger performance in the ports and logistics segment.

Profit before tax increased to RM29.5 million (FY2024: RM27.7 million), primarily driven by improved operating performance, particularly from the Group's core port operations, supported by higher revenue and stronger margins.

Despite the higher operating profit, net profit decreased marginally to RM15.8 million (FY2024: RM16.8 million), mainly due to higher tax expenses during the year.

The Group's financial position strengthened further, with total assets increasing to RM693.0 million (FY2024: RM590.9 million), primarily driven by capital expenditure relating to the LMT2 expansion, alongside ongoing asset enhancement initiatives and development activities.

Shareholders' equity rose to RM279.8 million (FY2024: RM269.0 million), while net assets per share improved to RM2.80 (FY2024: RM2.69).

Financial year ended 31 December		2025	2024
Revenue	RM'000	165,645	153,884
Profit before tax	RM'000	29,541	27,660
Net Profit	RM'000	15,830	16,792
Total Assets	RM'000	692,970	590,859
Shareholders' equity	RM'000	279,801	268,971
Owners' equity	RM'000	98,876	97,853
Net assets per share	RM	2.80	2.69

## 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.

Financial year ended 31 December	Revenue		Profit/(Loss) before Tax	
	2025	2024	2025	2024
Ports and logistics	142,322	129,605	43,006	38,797
Property development	1,100	-	(1,242)	(4,077)
Hospitality and tourism	20,159	22,307	(2,105)	(2,060)
Management services	2,064	1,972	(10,118)	(5,000)
<b>Total</b>	<b>165,645</b>	<b>153,884</b>	<b>29,541</b>	<b>27,660</b>

## Ports & Logistics

Strategically located off the Straits of Malacca, on the west coast of Peninsular Malaysia, in Perak, Lumut Maritime Terminal (“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 Southeast 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 approximately 86% of total revenue in FY2025.

Revenue increased to RM142.3 million (FY2024: RM129.6 million), supported by improved cargo throughput and operational stability following prior disruptions. Profit before tax rose to RM43.0 million (FY2024: RM38.8 million), reflecting stronger operational performance and improved cost management.

The Group continues to enhance operational efficiency at Lumut Port through process optimisation, digitalisation initiatives and infrastructure improvements, positioning the port for sustained growth.



## Property Development

The property development segment recorded revenue of RM1.1 million in FY2025, arising from land monetisation activities. This marks the initial contribution from the Group's ongoing efforts to unlock value from its landbank.

The segment recorded a reduced loss before tax of RM1.2 million (FY2024: RM4.1 million), reflecting improved cost discipline and early monetisation gains.

Other projects remain in the early stages of planning and development. The Group is actively building a stronger project pipeline, supported by strategic collaborations and land optimisation initiatives, to position this segment for sustainable growth over the medium to long term.



## Hospitality and Tourism

The hospitality and tourism segment recorded revenue of RM20.2 million (FY2024: RM22.3 million), reflecting softer market conditions and ongoing repositioning initiatives.

The segment reported a loss before tax of RM2.1 million (FY2024: RM2.1 million), broadly in line with the previous year.

Hotel Casuarina @ Meru remains the Group's flagship asset and continues to serve as a key venue for corporate functions, events and MICE activities. Hotel Casuarina @ Kuala Kangsar complements the portfolio with its strong positioning in the heritage and domestic travel segment.

The Group continues to advance the development of Hotel Casuarina @ Teluk Intan as part of its longer-term expansion strategy.

In line with market conditions and longer-term tourism priorities, certain assets are undergoing strategic repositioning. Casuarina Houseboat @ Temenggor 1 and Hotel Casuarina @ Pangkor are currently on strategic hiatus to allow for reassessment and enhancement. This aligns with broader initiatives to elevate Perak's tourism offerings ahead of Visit Malaysia 2026.



## Management Services

The management services segment recorded stable revenue of RM2.1 million (FY2024: RM2.0 million).

Loss before tax increased to RM10.1 million (FY2024: RM5.0 million), mainly due to higher administrative expenses, particularly professional fees incurred for the Proposed Regularisation Plan and increased staff costs, as well as the absence of the net gain on disposal of a deemed acquired subsidiary recognised in the previous year.

The segment continues to focus on optimising rental income streams and enhancing operational efficiency.

## FUTURE PROSPECTS

The Group remains focused on executing its Proposed Regularisation Plan while strengthening its core business segments and unlocking value from its assets.

**Ports & Logistics Segment:** The segment is expected to remain the primary revenue and earnings driver. The completion of the LMT 2 expansion in 2026 represents a significant milestone in enhancing the port's operational capacity and long-term growth potential. The expansion is expected to increase cargo handling capacity, improve vessel turnaround efficiency and strengthen LMTSB's capability to handle a broader range of bulk cargo and industrial throughput.

**Property Development Segment:** The Group will continue to advance its land monetisation strategy and strategic collaborations, particularly within Bandar Meru Raya and other key landbanks. These initiatives are expected to progressively contribute to revenue and enhance asset value.

**Hospitality & Tourism Segment:** The segment will focus on improving occupancy rates, enhancing service offerings and optimising cost structures. Strategic repositioning of selected assets is expected to strengthen the Group's tourism portfolio in line with Visit Malaysia 2026.

**Management Services Segment:** The segment will continue to maintain stable income while exploring opportunities to enhance returns and operational efficiency.

## **FROM CHALLENGE TO EXECUTION**

The approval of the Proposed Regularisation Plan marks a defining milestone in the Group's recovery journey. As the Group transitions into the implementation phase, Management remains focused on disciplined execution, strengthening liquidity and delivering sustainable value to stakeholders.

The coming financial year will be a critical phase for the Group, as the successful and timely implementation of the Proposed Regularisation Plan is essential to achieving regularisation and exiting PN17 status. This will require close coordination across multiple workstreams, including asset monetisation, execution of strategic collaborations and fulfilment of regulatory and contractual requirements.

Management remains committed to executing these initiatives in a structured and disciplined manner, with continued focus on financial prudence, operational stability and value realisation.

Overall, the year ahead is expected to be pivotal as the Group advances towards regularisation, supported by clearer strategic direction, improving financial resilience and a more structured platform for sustainable growth.

# SUSTAINABILITY STATEMENT

## WHERE WE OPERATE



### 1) Perak Corporation Berhad

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.

### 3) Hotel Casuarina @ Meru

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.

### 5) Hotel Casuarina @ Pangkor

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.

### 2) Lumut Port

Lumut Port 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.

### 4) Hotel Casuarina @ Kuala Kangsar

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.

### 6) Casuarina Houseboat @ Temenggor 1

The Casuarina Houseboat @ Temenggor 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.

## DRIVING SUSTAINABILITY

### ABOUT THIS REPORT

At Perak Corp, we regard sustainability as a fundamental pillar of our long-term value creation and organisational resilience as we systematically integrate Environmental, Social, and Governance (“ESG”) considerations into our strategic decision-making processes to safeguard the ongoing viability of our Group while delivering sustainable outcomes for our stakeholders.

This sustainability section covers our performance on ESG topics for FY2025. Historical data will be presented where available to allow readers better insight into our performance.

#### SCOPE OF REPORTING

This report outlines the deliverables for the Group in FY2025.

It outlines the Group’s sustainability efforts within the framework of ESG. The report highlights the significance of ESG to our business and its impact on our stakeholders. Additionally, it details the initiatives taken to address sustainability issues that have a significant effect on our business and stakeholders.

#### APPLIED FRAMEWORKS AND STANDARDS

This report has been prepared in adherence to the Bursa Securities’ Main Market Listing Requirements, with references made to the following documents:

- Bursa Securities Sustainability Reporting Guide (3<sup>rd</sup> Edition)
- United Nations Sustainable Development Goals (“UNSDG”)
- Perak Corp Sustainability Framework

### LIMITATIONS

The Group acknowledges that certain data collection challenges remain for selected indicators, and is actively enhancing internal data tracking and management processes to improve the accuracy, completeness, and consistency of future disclosures.

In addition, this report may contain forward-looking statements, including references to potential pipeline projects. Such statements are subject to inherent uncertainties and assumptions, and therefore should not be regarded as guarantees or definitive predictions of future performance.

### ASSURANCE

The Sustainability Statement has been subjected to an internal review conducted by the Company’s Internal Audit function, which was carried out to assess the accuracy, reliability, and consistency of the disclosures presented, particularly in relation to common sustainability matters.

The assessment was based on internally available data, supporting documentation, and established reporting processes, with the objective of ensuring that the information disclosed is aligned with the Group’s internal records and governance standards.

Based on the procedures performed, the Internal Audit function has relied on these internal controls and validation processes and is of the view that the disclosures are reasonably stated, in all material respects, for the purposes of this Sustainability Statement.

For disclosures relating to Diversity, the data are primarily derived from records maintained by the respective Human Resources functions across the Group. Such information is subject to verification and confirmation processes at the business unit level to ensure completeness and accuracy.

## FEEDBACK

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.



+6(05)-5019 2982



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

## APPROACH TO SUSTAINABILITY

### Sustainability Governance

Guided by the Group's Sustainability Policy and Framework, sustainability across the Group is driven by the Board, which provides strategic oversight to ensure long-term value creation for the stakeholders. The Board oversees sustainability and climate-related matters, including the assessment of climate risks and opportunities, and ensures that ESG considerations are systematically integrated into the Group's business strategies, risk management processes, and operational decision-making.

This governance structure is supported by Management (via the Sustainability Department), which translates strategic sustainability priorities into structured implementation mechanisms across the organisation through business action plans, with clear accountability, measurable targets, and defined performance indicators.

Progress is monitored through robust reporting and review processes, enabling the Board to regularly review sustainability and climate-related performance, manage emerging risks and opportunities, and drive continuous improvement. Transparent stakeholder engagement further strengthens the Group's sustainability approach, reinforcing alignment between corporate objectives and stakeholder expectations.

### Governance Structure

Board
<p>Provides oversight, review, and strategic guidance on sustainability-related policies and their implementation through the following roles:</p> <ul style="list-style-type: none"><li>• Providing strategic oversight</li><li>• Managing risks and ensuring regulatory compliance</li><li>• Monitoring organisational performance</li><li>• Approving policies and major initiatives</li><li>• Engaging with key stakeholders</li><li>• Demonstrating leadership and accountability</li><li>• Driving continuous improvement across the organisation</li></ul>

Management (via the Sustainability Department)
<p>Translate the Board's strategic expectations into actionable plans and orchestrate the sustainability journey across the organisation:</p> <ul style="list-style-type: none"><li>• Guide and govern sustainability strategy, policies, and KPIs while benchmarking against industry standards and regulatory expectations</li><li>• Monitor regulations and stakeholder insights</li><li>• Coordinate cross-departmental sustainability initiatives</li><li>• Ensure accurate, audit-ready ESG reporting and statutory disclosure</li></ul>

### Sustainability Working Committee

- Plan, implement, and report sustainability initiatives according to their respective ESG pillars.
- Implement sustainability initiatives and integrate them into departmental operations and standard operating procedures (“SOP”).
- Manage ESG data and maintain accurate records for reporting, audits, and evidence of implementation.
- Identify ESG-related risks and opportunities and propose mitigation and improvement actions.
- Engage stakeholders through ESG campaigns, workshops, and awareness programmes.
- Provide operational feedback to support strategy refinement.

### Integration with strategy and risk management

Material ESG matters, including climate-related risks and opportunities, regulatory developments, and stakeholder expectations, are evaluated for their potential operational and financial implications across the Group’s key businesses. This ensures that Sustainability priorities are embedded in the Group’s annual business planning cycle and long-term strategic reviews through informed capital allocation, investment decisions, and business growth initiatives.

Like other enterprise risks, sustainability and climate-related risks are assessed based on likelihood, impact, and time horizon, and reflected within the corporate risk register together with corresponding mitigation and monitoring measures. Where relevant, opportunities arising from sustainability and climate trends are similarly assessed to support strategic positioning.

The Sustainability Department collaborates with business units and the Risk Management function to ensure consistency in risk identification, performance monitoring, and reporting. Regular updates are provided to the Board to support oversight and informed decision-making on sustainability and climate-related matters.

### Sustainability Policy

To best reflect the dynamic landscape of sustainability, the Group has revised its existing sustainability policy, which was approved by the Board on 26 November 2025.

The Sustainability Policy are available for reference on the Company’s website at <https://www.perakcorp.com.my>

## **Integrating Sustainability in Business**

### **Our Commitment**

The sustainability of our business is highly correlated with ensuring synergy between what matters to our stakeholders and to the Group.

The Group is committed to delivering sustainable value creation by balancing business objectives with stakeholder interests, while upholding its responsibilities to people, the planet, and long-term profitability.

### **Methodology and Criteria**

Having a robust materiality assessment allows the Group to share what matters the most to the business and how it may affect the surrounding environment and society where we operate. Similarly, it also allows us to align with stakeholders' expectations and concerns and navigate its impact towards value creation.

The steps involved in our material assessment are as follows:



#### **Identification of Material Matters**

The Group identifies topics that could influence how the organisation operates and its impact on the environment and society. The topic identification process is refined from time to time and serves as a guide for improvements.



#### **Engagement with Stakeholders**

Timely engagements allow the Group to gather feedback from various stakeholders on their concerns, expectations, and needs. These interactions provide insight into the constantly changing needs of our stakeholders, which ultimately influence the strategic decision-making process and financial performance within the Group.



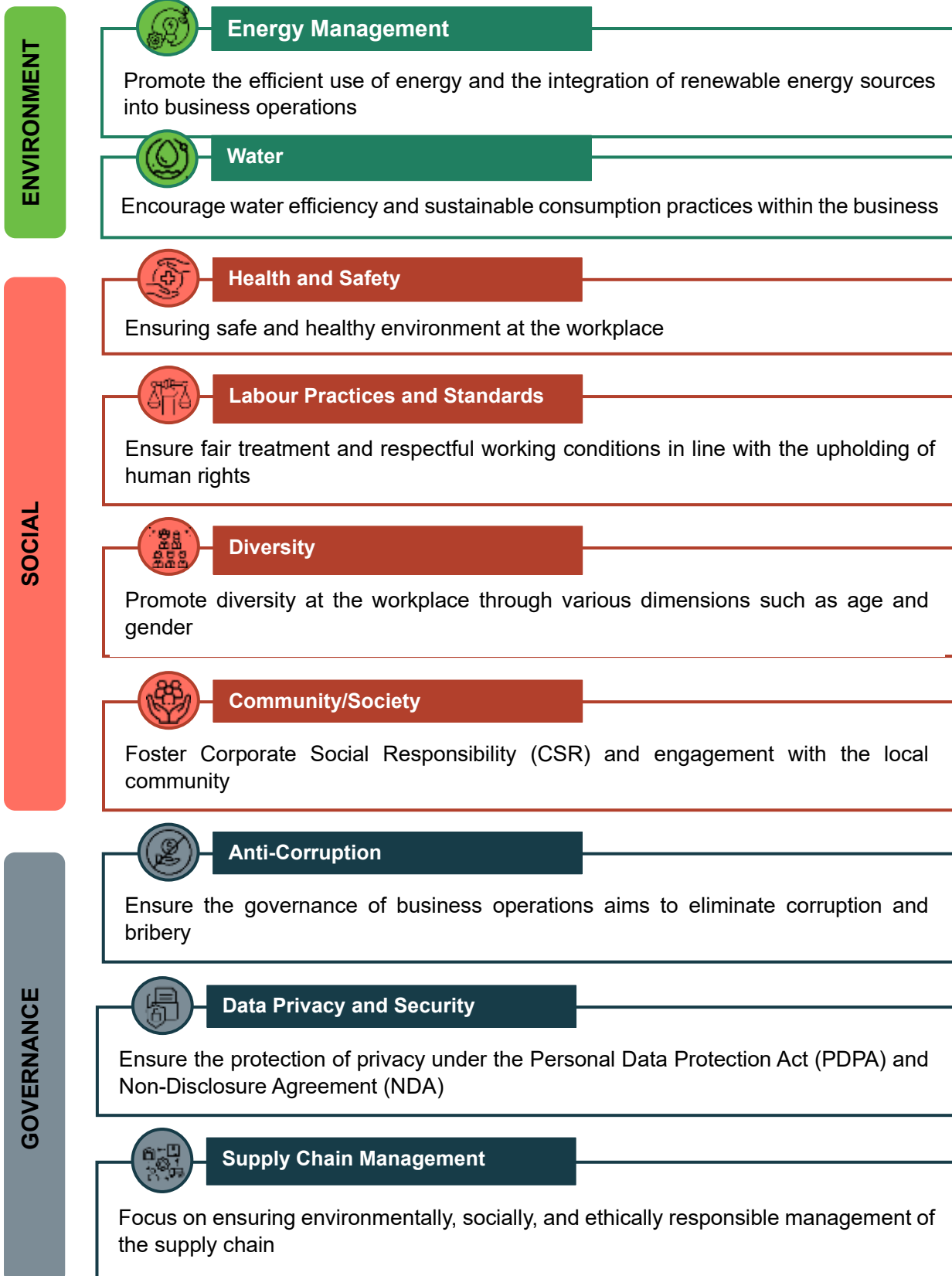
#### **Analysis and Integration of Material Matters**

The collected feedback is analysed and mapped on a materiality matrix using the double materiality approach to clearly define the level of importance of the topics towards the business and its stakeholders. These insights are then incorporated into our strategy, business planning, and operations.

A comprehensive materiality assessment will be done every three (3) years. Review of the material matters will be conducted yearly to ensure our decision-making remains relevant for a constantly changing business landscape.

## Material Matters

Based on our assessment, the following topics are expected to have a significant impact on the business, thus our Material Matters. The material topics, grouped by their ESG categories, and their definitions are as follows:



## Engagement with Stakeholders

The Group recognises the importance of its stakeholders in playing a crucial role in various aspects of our business. Timely engagements allow the Group to gather feedback from various stakeholders on their concerns, expectations, and needs.

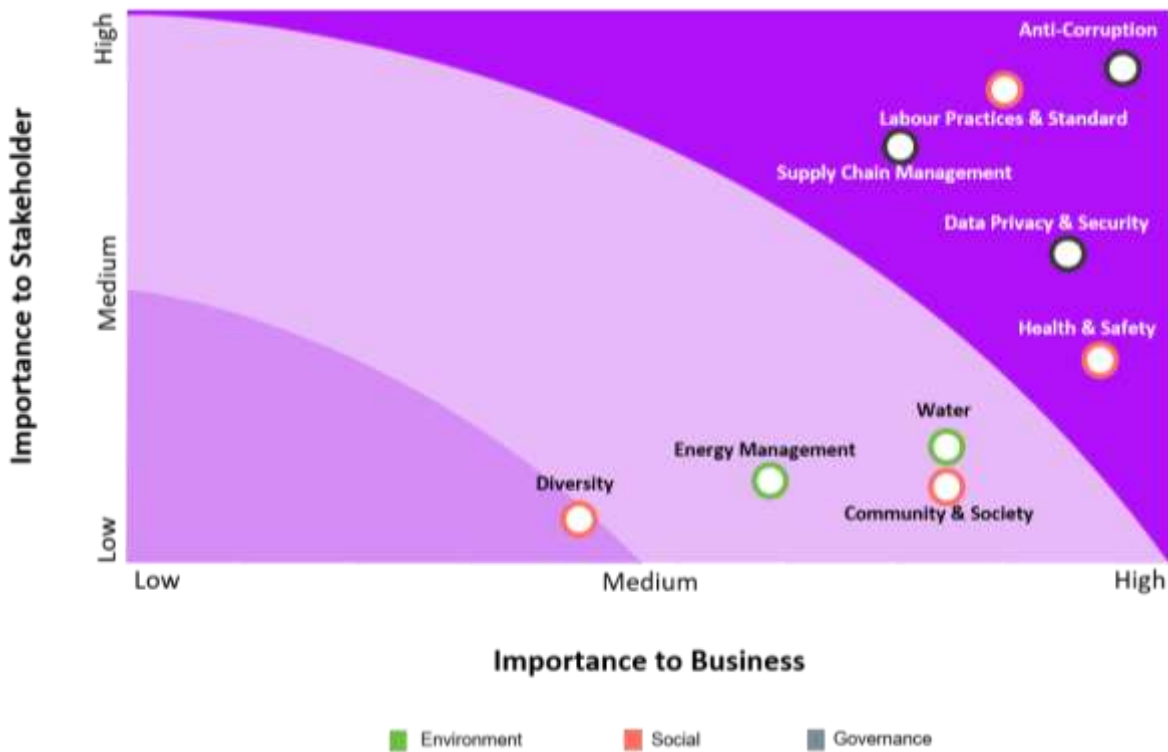
Key Stakeholder	Shareholders, Financiers, and Investors	Government Agencies and Regulatory Authorities
Their Importance to Us	Shareholders, investors, and financiers provide the financial capital necessary for the Group's operations, growth, and long-term sustainability initiatives. They also support governance oversight and influence strategic direction, making them essential to the Group's financial stability and continued value creation.	Government agencies and regulatory authorities establish the legal and regulatory framework within which the Group operates. Compliance with their requirements ensures lawful operations, risk management, and alignment with national sustainability, environmental, and governance standards.
Engagement Platform	Company website, quarterly financial announcement, annual report, AGM, and press releases.	On-site inspections, correspondence, compliance audits, and participation in government and regulatory events.
Area of Interest or Concerns	Financial performance, business strategies, future plans, and corporate governance practices.	Regulatory compliance.
Our Response	Provide transparent and timely financial reports, adhere to strong corporate governance practices, and engage in open and constructive dialogue to address concerns and gather feedback.	Uphold strict legal and regulatory compliance, ensure transparent reporting and adherence to industry standards, and actively engage with regulatory authorities for concerns and guidance.

Key Stakeholder	Customers	Employees
<b>Their Importance to Us</b>	Customers drive revenue and long-term business viability. Their needs, expectations, and feedback shape the Group's products, services, and sustainability commitments, directly influencing growth, reputation, and competitiveness.	Employees are critical to delivering the Group's strategy and operational performance. Their skills, engagement, and well-being drive productivity, innovation, service quality, and the achievement of sustainability objectives.
<b>Engagement Platform</b>	Customer feedback surveys, social media channels, customer service interactions, and periodic meetings.	Employee town halls, feedback surveys, internal communications channels.
<b>Area of Interest or Concerns</b>	Product quality, pricing, customer experience, and ethical business practices.	Compensation and benefits, career development opportunities, workplace safety, and well-being.
<b>Our Response</b>	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.	Offer competitive compensation and benefits packages, provide training and development programmes, prioritise employee health and safety, establish open channels for feedback and communication, and foster a positive and inclusive work culture.

Key Stakeholder	Community and Society	Suppliers / Contractors
Their Importance to Us	Communities and society are critical to maintaining the Group's social license to operate. Their trust and support influence the Group's reputation, regulatory stability, long-term market growth, and the Group's ability to deliver sustainable value.	Suppliers and contractors are essential to operational continuity and value creation. Their performance directly impacts quality, cost efficiency, risk management, and the company's environmental and social sustainability outcomes.
Engagement Platform	Community outreach programmes, corporate social responsibility ("CSR") initiatives, and social media.	Vendor meetings, contract negotiations, and regular business review.
Area of Interest or Concerns	Environmental impact, community development, and social responsibility.	Timely payments, fair contract terms, quality of goods or services, and sustainability practices.
Our Response	Prioritise environmental sustainability, support community development projects, engage in CSR programmes aligned with societal needs, contribute to charitable causes, and collaborate with local stakeholders for mutual benefit.	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.

## Analysis and Creation of Materiality Matrix

Our engagement with key stakeholders enables us to identify and prioritise the issues that matter the most to them. These insights are systematically analysed and serve as the foundation for the development of our materiality matrix.



These insights enable management to strengthen alignment with our stakeholders and enhance the Group's ability to proactively manage risks, thereby supporting and shaping strategic decision-making across the organisation. The materiality assessment was introduced in FY2024 and is still relevant to our business operations in FY2025.

The material topics are reviewed on a yearly basis, while an overall assessment will be conducted once every three (3) years to ensure the topics remain relevant to the Group and adequate risk management processes can be put in place.

## Key Risks and Mitigation

Material Matters	Mitigation	Opportunities
<p><b>Anti-Corruption</b></p> <p><b>Risk:</b></p> <p>Unethical practices such as bribery and corruption pose a risk of legal consequences, financial losses, and damage to the Group's reputation</p>	<ul style="list-style-type: none"> <li>Promote good governance practices that contribute towards growth and management stability.</li> <li>Continuous integrity-strengthening programmes aimed to further embed and improve ethical practices within the workplace.</li> </ul>	<ul style="list-style-type: none"> <li>Enhance corporate governance frameworks with stronger anticorruption policies, ethical training programmes, and third-party audits.</li> </ul>
<p><b>Community &amp; Society</b></p> <p><b>Risk:</b></p> <p>Negative perceptions within the community due to non-compliance with operational regulations, resulting in adverse impacts towards the surrounding community</p>	<ul style="list-style-type: none"> <li>Adherence to the principle of nonmaleficence in business conduct to foster a sustainable approach to operations.</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> </ul>
<p><b>Diversity</b></p> <p><b>Risk:</b></p> <p>Decreased innovation and productivity due to the limited diversity within the Group</p>	<ul style="list-style-type: none"> <li>Promote an internal culture of inclusiveness that values varied perspectives, skills, and experience.</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of diversity policy and inclusive practices throughout the Group's businesses.</li> <li>Attract potential talents through diversified pipelines and implement structured and bias-aware practices such as blind CV screening.</li> </ul>

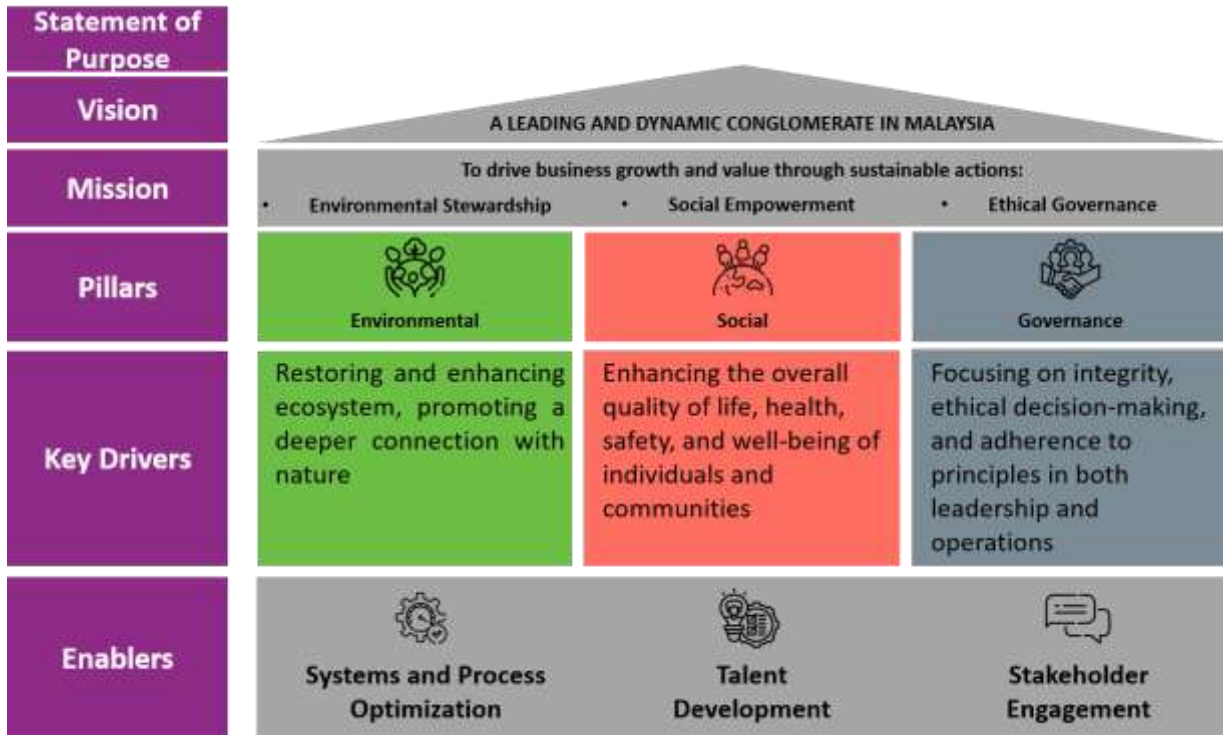
Material Matters	Mitigation	Opportunities
<p><b>Energy Management</b></p> <p><b>Risk:</b></p> <p>Inability to manage energy efficiently leading to greater demand for energy, which leads to higher operational costs and GHG emissions</p>	<ul style="list-style-type: none"> <li>Adoption of renewable energy through direct and indirect sources. (i.e., installation of solar panels).</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of energy-efficient measures and building an energy-conscious culture within the Group.</li> </ul>
<p><b>Health &amp; Safety</b></p> <p><b>Risk:</b></p> <p>Non-adherence to 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.</p>	<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>Continuous efforts to regularly enhance safety-related equipment and policies to ensure a safe workplace and working environment.</li> </ul>	<ul style="list-style-type: none"> <li>Integration of climate-related risk topics within Health &amp; Safety awareness.</li> </ul>
<p><b>Labour Practice &amp; Standard</b></p> <p><b>Risk:</b></p> <p>Non-compliance with labour practices &amp; standards leading to low job satisfaction, high turnover, and decreased productivity.</p>	<ul style="list-style-type: none"> <li>Increase investment in employee training and development programmes addressing skill gaps, productivity improvement, and development of competitive edge within the industry.</li> <li>Compliance with the Employment Act 1955 and the Group's Code of Conduct to ensure fair treatment for all employees.</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> </ul>

Material Matters	Mitigation	Opportunities
<p><b>Supply Chain Management</b></p> <p><b>Risk:</b></p> <p>Uncertainties and lack of control within the supply chain will potentially disrupt project progress and increase cost.</p>	<ul style="list-style-type: none"> <li>• Development of a structured supply chain management system.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure all parties in the supply chain comply with ESG best practices.</li> <li>• Enhance engagement with suppliers/contractors aimed to explore opportunities for reduced delivery lead times, local economic support, and faster disruption recovery.</li> <li>• Diversification of the supply chain, ensuring better pricing and guarantee of supplies.</li> </ul>
<p><b>Data Privacy &amp; Security</b></p> <p><b>Risk:</b></p> <p>Data breaches due to cyberattacks, including phishing and hacking of confidential company data, leading to regulatory fines, loss of customer trust, and potential legal actions</p>	<ul style="list-style-type: none"> <li>• Implementation of a Privacy Policy embedded in the Group's website to protect data, enhance customer trust, and ensure compliance with regulations.</li> <li>• Implementation of Security SOP to prevent any potential cyberattacks.</li> <li>• Implementation of a system backup and recovery system and server to reduce system downtime.</li> <li>• Migration of the human resources system from server-based to a cloud-based system improves data security, providing enhanced encryption and protection measures.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct regular IT audits on a quarterly basis.</li> </ul>

Material Matters	Mitigation	Opportunities
<p><b>Water</b></p> <p><b>Risk:</b></p> <p>Water scarcity from drought or water rationing impacting on-site development and business operations across the Group</p>	<ul style="list-style-type: none"> <li>Implementation of effective water measures, including rainwater harvesting and recycling for day-to-day operations e.g. landscaping, road cleaning, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Promotion of water-saving features, e.g. adopting water-efficient products throughout the Group.</li> <li>Elimination of potential water contamination resulting from non-compliance with SOP.</li> </ul>

## Our Strategy

Driven by the vision of becoming a leading and dynamic conglomerate in Malaysia and guided by the input from our stakeholders, the Group has revised its sustainability strategy to support the mission of driving business growth and value through sustainable action.



The revised sustainability strategy was endorsed by the Board on 26 August 2025.

## Risk Management

As part of Perak Corp's effort in ensuring the business remains resilient and competitive for many more years to come, the Group will continue its focus on sound risk assessment and internal control to ensure the Group is well-equipped to manage various challenges.

Sustainability-related risks, including climate-related risks, are identified, assessed, and managed using the same enterprise risk management framework as operational risks. Each Risk Focal from respective operational units is guided by the Sustainability Department and Risk Management Department throughout the process, where appropriate.

## Climate-Related Risks

Climate-related risks have been identified and evaluated across defined short-, medium-, and long-term time horizons. For the purpose of this assessment, the short-term horizon is defined as 2025–2030, the medium-term horizon as 2031–2040, and the long-term horizon as 2041–2050.

The climate-related risks and opportunities are as follows:

Risk: Physical	Risk Type: Acute
<p><b>Flash Flood</b></p> <ul style="list-style-type: none"> <li>Changes in rainfall patterns, combined with inadequate drainage systems that cannot accommodate increased water volumes, may lead to flooding at project and operational sites, disrupting daily business activities, damaging on-site inventory, and affecting employees' ability to commute to the office.</li> </ul>	<p><b>Implication</b></p> <ul style="list-style-type: none"> <li>Damage to materials and supplies.</li> <li>Increased costs for dewatering or slope stabilisation.</li> <li>Limited mobility for guests and employees alike due to limited access to physical assets.</li> <li>IT system disruptions and network outages due to critical infrastructure failure.</li> <li>Disruption of daily operations and service delivery due to work stoppages.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>Introduce end-to-end business continuity plans to sustain operations during flood events.</li> <li>Secure storage and handling protocols to prevent post-delivery material losses.</li> <li>IT and critical infrastructure hardening via the adoption of cloud-based systems with redundancy, minimising loss from system outages and operational downtime.</li> <li>Optimise insurance coverage to address asset and inventory exposure.</li> </ul>
<p><b>Risk Horizon: Short-term</b></p>	

Risk: Physical	Risk Type: Acute & Chronic
<p><b>Extreme Heat</b></p> <p>Extreme heat conditions may adversely affect the Group's operations by compromising workforce health and safety, reducing productivity, and increasing the likelihood of heat-related fatigue and workplace incidents. Prolonged heat exposure may also disrupt upstream supply chains, particularly for climate-sensitive raw materials.</p>	<p><b>Implication</b></p> <ul style="list-style-type: none"> <li>• Disruption of raw material supply through the affected heat-sensitive supply chain partners.</li> <li>• Unsafe working environment for employees.</li> <li>• Raised operational costs due to the surge in cooling demand and electricity consumption.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Diversify and climate-proof raw material sourcing with heat-adaptive vendors, i.e., controlled-environment agriculture.</li> <li>• Implement workforce heat risk management to sustain productivity while minimising health incidents and regulatory risks.</li> <li>• Invest in energy-efficient cooling systems to reduce operational costs and emissions.</li> <li>• Integrate green building design to enhance natural ventilation to improve workforce safety and productivity.</li> </ul>
<b>Risk Horizon:</b> Short-term	

Risk: Physical	Risk Type: Acute
<p><b>Severe Storm</b></p> <p>Extreme storm with varied precipitation volume ranging from prolonged drizzle to intense rainfall over a long period of time. Each of these events has the potential to overwhelm current drainage systems.</p>	<p><b>Implication</b></p> <ul style="list-style-type: none"> <li>• Prolonged saturation weakens the soil, stalls critical earthworks, and foundation progress. These delays inevitably trigger a chain of costly reworks, ultimately resulting in significant budget overruns and potential quality defects in the finished infrastructure.</li> <li>• Power surges and short circuits from lightning can fry IT equipment and knock out essential systems, leading to total work stoppages and service failures.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Enhance soil stabilisation and drainage systems by implementing solid stabilisation and erosion control technologies to maintain construction integrity.</li> <li>• Strengthen project scheduling flexibility by integrating weather-resilient construction planning.</li> <li>• Improve design standards to incorporate climate-resilient construction practices.</li> <li>• Improve protection of electrical and IT systems against storm-induced surges and outages by installing surge protection systems, grounding infrastructure, and uninterruptible power supply (UPS).</li> </ul>
<p><b>Risk Horizon: Medium-term</b></p>	

Risk: Transition	Risk Type: Policy & Legal, Reputation
<p><b>Regulatory and Disclosure Compliance</b></p> <p>Inability to meet evolving sustainability and climate-related expectations from the market, leading to potential reputational, financial, and strategic consequences.</p>	<p><b>Implication</b></p> <ul style="list-style-type: none"> <li>• Financial penalties and regulatory scrutiny.</li> <li>• Loss of credibility with investors and the public.</li> <li>• Higher cost of capital due to perceived higher ESG risk.</li> <li>• Missed opportunities with partners requiring sustainability compliance.</li> </ul> <p><b>Opportunities</b></p> <ul style="list-style-type: none"> <li>• Strengthen ESG governance and reporting frameworks to ensure regulatory compliance.</li> <li>• Enhance ESG ratings, leading to better access to capital and financing terms.</li> <li>• Build internal capabilities in sustainability management and reporting.</li> </ul>
<p><b>Risk Horizon: Short-term</b></p>	

## Sustainability Performance - Environment



### Energy Management

#### Related UNSDG



#### Why It Matters

Energy consumption is an essential component of the Group's operations, and the Group recognises that our energy consumption has a significant impact on operational costs and indirect carbon emissions.

Being responsible in our use of energy not only helps to optimise operational cost but also helps to minimise greenhouse gas emissions, which ultimately reduces environmental impact and supports our broader sustainability objective while ensuring long-term operational sustainability.

The Group is committed to improving energy efficiency and promoting responsible energy use across its operations while supporting broader efforts to mitigate environmental impact.

#### Our Approach

The Group continues to integrate environmental considerations into its practices by promoting energy-efficient technologies and responsible energy consumption across its properties and facilities. Various initiatives have been implemented to encourage more efficient use of energy within daily operations, including the adoption of energy-efficient lighting and equipment, minimising electricity usage.

In addition to improving internal energy efficiency, the Group also supports broader efforts to advance a low-carbon ecosystem. This includes the development of infrastructure such as electric vehicle ("EV") charging facilities within selected assets, which contribute towards facilitating the adoption of cleaner transportation alternatives and supporting the transition towards a lower-carbon economy.

- **Installation of Solar Photovoltaic (PV) Panel System under the Net Energy Metering (NEM) Scheme**

In addition to the 1,224 kWp solar system installed in Lumut Port in 2023 under the Solar Asset Renewable Energy (SARE) model, FY2025 marked a significant milestone for the Group with the successful commissioning of a solar photovoltaic (PV) panel system under the Net Energy Metering (NEM) Scheme at Hotel Casuarina @ Meru. The project incorporates renewable energy solutions into Hotel Casuarina @ Meru's operations to strengthen the adoption of renewable energy while improving operational cost efficiency within the hospitality and tourism sector.

The project involved the installation of 706 solar panels with a total generation capacity of 416.54 kilowatt-peak (kWp) or 280.00 kilowatts alternating current (kWac). The system commenced full operations on 19 September 2025 following the approval of a Public Generation Licence from the Energy Commission (Suruhanjaya Tenaga).

The installation of the SARE meter was subsequently completed on 22 October 2025, which also marked the Commercial Operation Date (COD) officially recognised by Tenaga Nasional Berhad (TNB) and SEDA Malaysia.

During the initial operational period from mid-October to December 2025, the PV system generated 82,845 kilowatt-hours (kWh) of solar electricity. This accounted for approximately 15% of the hotel's total electricity consumption, which stood at 561,002 kWh during the same period.

Pre-PV System	Post-PV System
Grid Usage: 561,002kWh	Grid Usage: 561,002kWh
	Generated by PV System: 82,845kWh
	Solar Energy Offset: 478,157kWh

Most of the solar energy generated was consumed directly within the hotel premises (self-consumption), while only a small portion — approximately 429 kWh — was exported to the national grid during the same period, with no technical failures or operational disruptions reported.

With the system now fully operational, we expect a more sustainable energy consumption, further strengthening Perak Corp's position as a key proponent of clean energy adoption.

- **Installation of Electric Vehicle Charging Stations**

As part of our commitment to green mobility and the transition towards a low-carbon energy ecosystem, the Group, through its subsidiary, Casuarina Meru Sdn Bhd, has established a strategic partnership with TNB for the installation of electric vehicle (EV) charging stations at Hotel Casuarina @ Meru. This initiative supports the aspirations outlined in the National Energy Transition Roadmap (NETR) while contributing to the sustainable development agenda of the State of Perak.

The document exchange ceremony, held on 2 May 2025, witnessed by the YAB Menteri Besar of Perak, is a testament to the State Government's support for the development of green mobility infrastructure within the state.

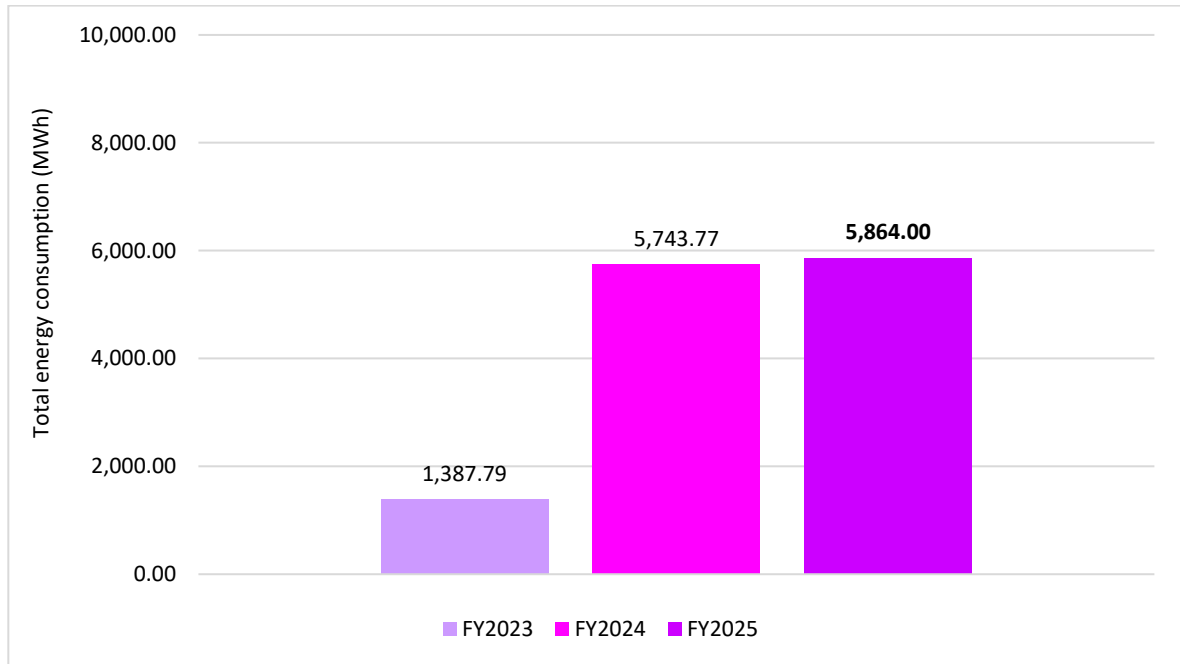
Under this collaboration, TNB has installed one (1) 120 kW DC fast charger equipped with dual CCS2 connectors, along with two (2) 22 kW AC chargers, located within the hotel's main parking area. The facility is complemented by dedicated EV parking bays, 24-hour accessibility, and a digital payment system, ensuring convenience for users.

The implementation of this project aims to provide efficient and accessible EV charging facilities for hotel guests and the public, while further strengthening the positioning of Hotel Casuarina @ Meru as an environmentally responsible hospitality destination supported by green technology innovation.

The EV charging stations are expected to commence full operations in the first quarter of 2026, contributing to the expansion of the green mobility ecosystem in Perak and reaffirming the commitment of Perak Corp towards sustainable innovation in the hospitality and tourism sector.

## Our Performance

Total energy consumption:



	FY2023	FY2024	FY2025
Total energy consumption (MWh)	1,387.79	5,743.77	<b>5,864.00</b>
Total energy generated from solar (MWh)	N/A	N/A	<b>828.95</b>



## Water

### Related UNSDG



### Why It Matters

Water is a fundamental resource critical to the Group's operations. Inefficient use or scarcity can disrupt operations, escalate costs, and increase environmental impact. By adopting sustainable water management practices, the group safeguards natural resources and reduces operational inefficiencies, supporting long-term resilience and business continuity.

### Our Approach

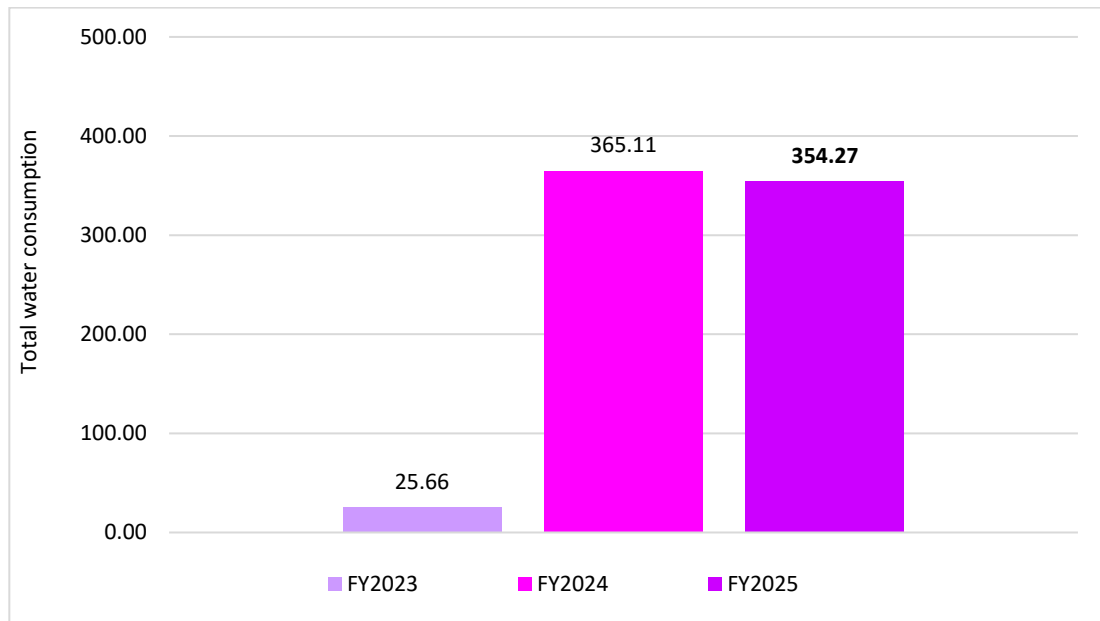
In FY2025, the Group continued to enhance its water stewardship across all assets. The rainwater harvesting system at Hotel Casuarina @ Meru captured 38.27 ML of water in FY2025, up from 36.51 ML in the previous year. This harvested water is primarily used for landscape irrigation, reducing dependence on municipal water supply and promoting sustainable resource use.

Lumut Port recorded a total water consumption of 239.68 ML in FY2025, a significant reduction compared to 266.80 ML used in FY2024.

In addition, the Group has actively addressed operational inefficiencies through rigorous maintenance protocols, including leak detection and timely repair of building plumbing infrastructure. These measures complement rainwater harvesting efforts, ensuring that water usage is optimised and wastage is minimised. High water-consuming operations such as Lumut Port, Hotel Casuarina @ Meru and Hotel Casuarina @ Kuala Kangsar continue to be a priority, with water efficiency practices embedded into daily operations.

## Our Performance

Total water consumption:



	FY2023	FY2024	FY2025
Total water consumption (ML)	25.66	365.11	<b>354.27</b>
Total water harvested (ML)	-	36.51	<b>38.27</b>

## Sustainability Performance - Social



### Health and Safety

#### Related UNSDG



#### Why It Matters

A safe and healthy workplace is fundamental to ensuring business continuity and safeguarding employee well-being. By prioritising Occupational Health and Safety (OHS) practices, organisations can prevent workplace incidents, protect employees and contractors, and ensure compliance with regulatory and industry requirements.

In addition, a strong safety culture contributes to higher employee morale, engagement, and retention. Ensuring the well-being of employees also supports sustainable business growth and reflects the organisation's commitment to responsible corporate practices.

#### Our Approach

The Group prioritises Occupational Safety and Health (“OSH”) excellence and remains committed to providing a safe and healthy workplace for all employees and stakeholders through continuous improvements. OSH considerations are embedded in daily operations through established policies, procedures, and governance structures via the Safety and Health Committee (“SHC”) and Emergency Response Team (“ERT”), which oversee the implementation and monitoring of safety practices across the Group.

A strong culture of safety is further reinforced through continuous engagements, internal briefings, and regular awareness initiatives for employees and contractors. These efforts support consistent compliance with safety procedures while promoting proactive risk identification and prevention of workplace incidents within existing and new projects. FY2025 efforts in health and safety were concentrated into three (3) main areas: 1) operational efficiency; 2) competency development; and 3) general well-being.

## 1) Operational Efficiency

In line with its strong support for digital transformation efforts, the Group continues to enhance the Health, Safety, Security, and Environment (“HSE”) Management System through digital solutions that streamline safety processes and improve operational efficiency. Some of the continued initiatives from previous years include the E-Permit to Work (“EPTW”) System, the Hazard Management System, and the Action Tracking and Recording Register (“ATARR”), which collectively strengthen hazard identification, monitoring, and corrective action tracking across operations.

## 2) Competency Development

During FY2025, the Group further strengthened its competency development initiatives by expanding its Health and Safety training programmes to enhance both emergency preparedness and technical compliance. Employees from Perak Corp and Hotel Casuarina @ Meru participated in structured training sessions including Basic Occupational First Aid (“BOFA”), Cardiopulmonary Resuscitation (“CPR”), and Automated External Defibrillator (“AED”) usage, as well as the implementation of a fire drill involving Balai Bomba dan Penyelamat Meru Raya that simulates a real emergency to support organisational emergency readiness.

Over in Hotel Casuarina @ Kuala Kangsar, a training on Fire Safety Awareness was also conducted in collaboration with Balai Bomba dan Penyelamat Kuala Kangsar, reinforcing fire safety knowledge, emergency response readiness, and compliance with safety standards.



Besides general safety training, technical competency was also reinforced for the SHC and ERT members through OSH Coordinator certifications and Construction Industry Development Board (“CIDB”) Green Card training to ensure adherence to site-specific safety standards.

## 3) General Well-Being

The Group partnered with the Ministry of Health (“KKM”), KPJ Ipoh Specialist Hospital, and the Social Security Organisation (“PERKESO”) through collaborative programmes and awareness initiatives during the financial year to deliver health awareness programmes on topics such as cardiovascular disease prevention, healthy lifestyle practices, and weight management.

Initiatives such as the “I Fit & Eat Right” programme, designed to promote better physical health and healthier lifestyle choices among employees, were also introduced. A healthier workforce not only sustains consistent performance but also reduces sick employees and ensures long-term talent sustainability.

The Group also focuses on mental well-being in the workplace, in line with the latest development in best practices, where psychosocial risks are now considered as an important pillar in OSH.

The Group introduced a series of stress management initiatives, including the “Declutter the Minds” programme, designed to equip employees with best-practice mindfulness techniques to better manage work-related stress and support overall well-being.

### Our Performance

The Group remains committed to maintaining a safe and healthy workplace through continuous improvements in occupational safety management, employee awareness, and training. The following data tracks the Group’s safety trajectory and training investment involving all employees over the last three (3) financial years:

Metric	FY2023	FY2024	FY2025
Work-related Fatalities	1	0	0
Lost Time Incident Rate (LTIR)*	0.48	3.09	0.66
Employees Trained on Health and Safety Standards	2	340	307

\*Note: LTIR is the frequency of work-related injuries severe enough for employees to miss at least one full day of work per 1,000 employees.

In FY2025, the Group successfully maintained its record of zero Work-related Fatalities set in FY2024. This represents a significant improvement from FY2023, which recorded one fatality. The sustained absence of fatalities over the past two (2) financial years reflects strengthened safety governance, improved operational controls and greater emphasis on safety culture across operations.

In terms of Lost Time Incident Rate (LTIR), the Group has improved significantly in FY2025, declining to 0.66 from 3.09 in FY2024, although still higher than the 0.48 recorded in FY2023. The spike observed in FY2024 was largely attributable to improved incident reporting and increased workforce exposure during operational expansion. In FY2025, the reduction in LTIR indicates that corrective actions, enhanced supervision and targeted safety interventions have begun to yield positive outcomes. Nevertheless, the Group recognises that further improvements are needed to ensure we can sustain performance levels comparable or better than FY2023.

The Group also made substantial progress in strengthening employee safety competency through training initiatives. A total of 307 employees were trained on health and safety standards in FY2025. This reflects the Group’s commitment to embedding safety awareness across the organisation and ensuring employees are equipped with the necessary knowledge to identify hazards, mitigate risks and comply with safety procedures.

Overall, the Group’s health and safety performance over the past three years demonstrates strong progress in fatality prevention and workforce capability building, while continued focus is being placed on reducing lost time incidents through proactive risk management, strengthened safety leadership and ongoing training initiatives.



## Labour Practices and Standards

### Related UNSDG



### Why It Matters

Responsible labour practices are fundamental to fostering a fair, safe, and respectful workplace while supporting sustainable business operations. By upholding strong employment standards, organisations can safeguard employee welfare, ensure compliance with regulatory requirements, and promote a culture of trust, accountability, and mutual respect across the workforce.

The Group recognises that protecting employee rights and maintaining fair working conditions are essential to workforce stability, employee engagement, and long-term organisational performance. These commitments are embedded within the Group's human resource operational practices and guided by Perak Corp's Human Resource Policies, which establish the standards for responsible employment and employee welfare across the organisation.

### Our Approach

The Group is committed to upholding responsible labour practices in accordance with the provisions of the Employment Act 1955 and other applicable labour laws in Malaysia. These standards guide the Group's employment practices and ensure that employees are treated fairly and provided with appropriate working conditions across its operations.

In line with these requirements, the Group adheres to statutory provisions relating to the prevention of child labour and forced labour, non-discrimination, freedom of association and collective bargaining, the elimination of excessive working hours, and compliance with minimum wage regulations. These principles form the foundation of the Group's labour practices and support the protection of employee rights in the workplace.

The Group also promotes an inclusive and respectful work environment where employees are treated fairly and provided with equal opportunities regardless of race, religion, gender, age, disability, sexual orientation, or nationality. This commitment supports the development of a workplace culture that values diversity, fairness, and mutual respect.

To ensure transparency and awareness, the Group communicates its labour standards and employment policies to employees through internal channels such as email and the Human Resources Information System ("HRIS"), allowing employees to access relevant policies, guidelines, and employment information.

Topic	Key highlights
Protection from Child Labor	In compliance with the Children and Young Persons in Employment Act 1966 of Malaysia, we ensure that the minimum age of employment is 18 years old.
Protection from Forced Labor	Any form of forced or compulsory labour is strictly prohibited, and we ensure all employment is entered into voluntarily without coercion, threat, or intimidation.
Freedom of Association and Collective Bargaining	The Company respects employees' freedom of association.  Becoming a member of Kelab Warga Perbadanan Kemajuan Negeri Perak established by PKNPK, is entirely voluntary, and employees are not required or obligated to become members.  Currently, Perak Corp does not engage in collective bargaining with any employee representative or labour union.
Minimum Wage	The Group ensures that employees are paid fairly, providing equal pay for equal work, with a minimum wage of RM1,700 as required by the Malaysian labour laws.
Working Hours	Employees' working hours comply with the limits set under the Employment Act 1955 (Maximum of 45 hours per week), and measures are implemented to prevent excessive working hours.
Leave Entitlement	<ul style="list-style-type: none"> <li>• Annual Leave</li> <li>• Sick Leave</li> <li>• Maternity Leave</li> <li>• Compassionate Leave</li> </ul>
Medical Benefit	Medical benefits are extended to employees' children up to 18 years old (if not pursuing further studies), or up to 23 years old if they are still studying, while children with disabilities are eligible with no age limit.

In addition, the Group is committed to respecting and supporting the protection of internationally recognised human rights in line with applicable Malaysian laws and regulations. Employees are encouraged to raise concerns related to workplace conduct through the Company's whistleblowing channel, which provides a mechanism to report incidents such as discrimination, bullying, or harassment.

To support the effective implementation of these labour standards, the Group also conducts training and awareness programmes for employees. These initiatives help ensure that employees understand their rights and responsibilities in the workplace while reinforcing the Group's expectations on ethical conduct, respectful behaviour, and responsible labour practices. At the same time, these training programmes support the continuous development of employee capabilities, enabling the workforce to enhance their professional competencies and contribute effectively to the organisation's operations and long-term growth.

There were no reported incidents of non-compliance with labour standards during FY2025.

## Our Performance

The Group monitors key performance indicators to assess the effectiveness of its labour practices, human rights safeguards, and workforce management initiatives. These indicators provide insight into employee development, workforce stability, and adherence to ethical and responsible labour standards. Performance data for FY2025 is presented across four key areas: training and development, workforce composition, employee turnover, and human rights compliance.

- **Total hours of training**

Employee Category	FY2023	FY2024	FY2025
Management	168 hours	1,580 hours	<b>3,995 hours</b>
Executive	424 hours	4,384 hours	<b>7,040 hours</b>
Non-Executive	56 hours	3,326 hours	<b>13,888 hours</b>
<b>Total Training Hours</b>	648 hours	9,290 hours	<b>24,923 hours</b>

Training and human capital development form an integral component of the Group's workforce strategy, supporting operational effectiveness, employee capability, and long-term readiness. Ongoing investment in training, upskilling, and competency development helps employees meet evolving business needs, reduces operational risks, enhances productivity, and ensures compliance with regulatory requirements. A sustained focus on learning and development also strengthens engagement, supports retention, and reinforces the Group's ability to remain competitive and resilient in a rapidly changing business environment.

For FY2025, the group recorded an average of 13.38 hours of training, or equivalent to 1.67 days per employee, for a total of 545 employees. These training hours are divided into five (5) main training categories as follows: regulatory compliance, technical upskilling, health and safety, leadership development, and partnership programmes with external agencies.

- **Percentage of employees that are contractors or temporary staff**

FY2023	FY2024	FY2025
22.06%	8.39%	<b>9.36%</b>

Maintaining transparency in workforce composition helps the Group manage operational flexibility while ensuring compliance with labour regulations and ethical employment practices. Monitoring the proportion of contractors and temporary staff supports workforce planning and provides insight into organisational reliance on non-permanent personnel.

- **Total number of voluntary full-time employee turnover by employee category**

Employee Category	FY2023	FY2024	FY2025
Management	6	14	<b>12</b>
Executive	8	23	<b>19</b>
Non-Executive	2	35	<b>53</b>

Employee turnover reflects workforce stability, engagement, and retention efforts. Tracking turnover by employee category enables the Group to identify trends, assess the effectiveness of human capital strategies, and inform initiatives to strengthen retention and organisational resilience.

- **Number of substantiated complaints concerning human rights violations**

FY2023	FY2024	FY2025
0	0	<b>0</b>

Protecting human rights is a fundamental aspect of the Group's commitment to responsible labour practices. Monitoring substantiated complaints concerning human rights violations ensures transparency, accountability, and the effectiveness of grievance and whistleblowing mechanisms.



## Diversity

### Related UNSDG



### Why It Matters

A diverse and inclusive workforce enables organisations to benefit from a wide range of perspectives, experiences, and ideas, which fosters innovation and overall organisational performance. By fostering an inclusive environment where individuals from different backgrounds are respected and valued, organisations can strengthen employee engagement and long-term workforce sustainability.

The Group recognises that diversity and equal opportunity are important elements of responsible employment practices. Promoting diversity across the workforce and leadership levels supports fair representation, encourages balanced perspectives in decision-making, and contributes to a workplace culture that values respect, inclusivity, and mutual understanding.

### Our Approach

The Group is committed to fostering a diverse and inclusive workplace where employees are treated with fairness and respect. Employment decisions relating to recruitment, career progression, and professional development are guided by principles of merit, qualifications, and competencies, ensuring that individuals are provided equal opportunities regardless of gender, age, ethnicity, religion, or other personal characteristics.

This commitment to inclusivity is embedded within the Group's human resource practices and organisational culture, where diversity is recognised as a strength that contributes to collaboration, innovation, and organisational resilience. By encouraging a respectful and supportive working environment, the Group aims to ensure that all employees feel valued and empowered to contribute meaningfully to the Group.

The Group also promotes equal employment opportunities and open hiring practices that provide access to individuals from diverse backgrounds. This includes supporting employment opportunities for individuals from economically disadvantaged circumstances as well as offering internship opportunities for students to gain practical industry exposure and develop their professional capabilities.

In line with its commitment to inclusive employment practices, the Group maintains a non-discriminatory approach to hiring and workplace management. Individuals are treated fairly regardless of race, religion, gender, age, disability, sexual orientation, nationality, or socio-economic background.

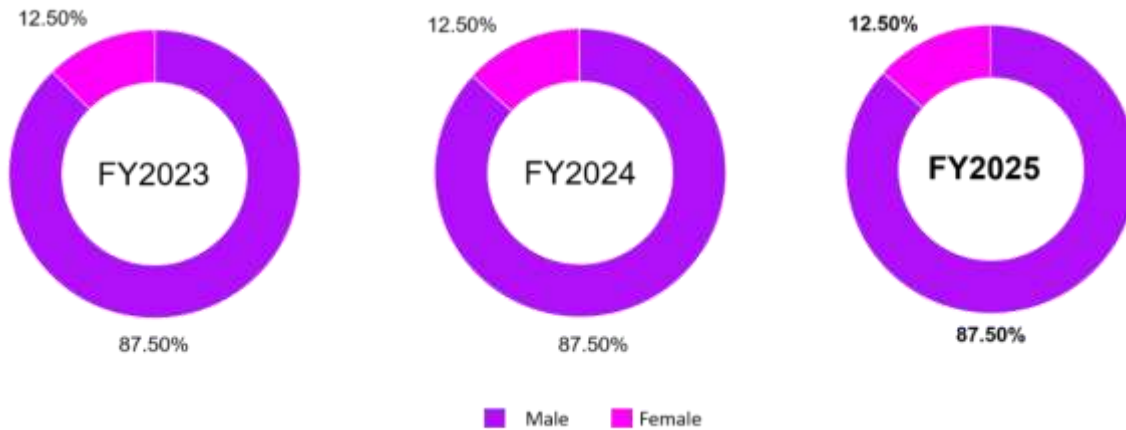
### Our Performance

The Group monitors diversity indicators across both leadership and workforce levels to support transparency and assess progress in fostering an inclusive workplace for our employees. These indicators provide insight into the representation of different demographic groups across the Group and help guide future talent management and workforce planning initiatives.

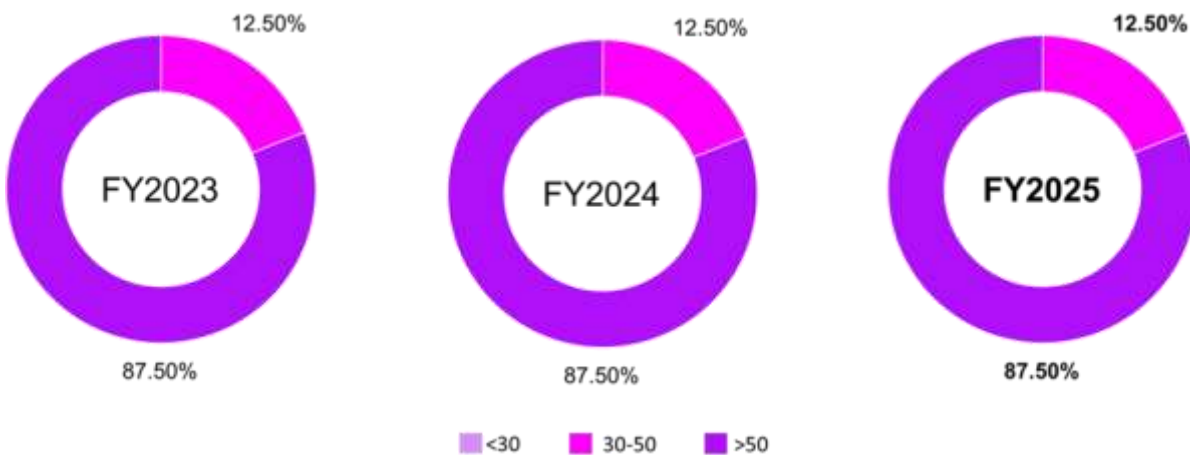
- Employee Data

Number of Employee	Headcount	%
Male	412	75.60%
Female	133	24.40%
Total	545	100%

- Percentage of Board by gender:



- Percentage of Board by age group:



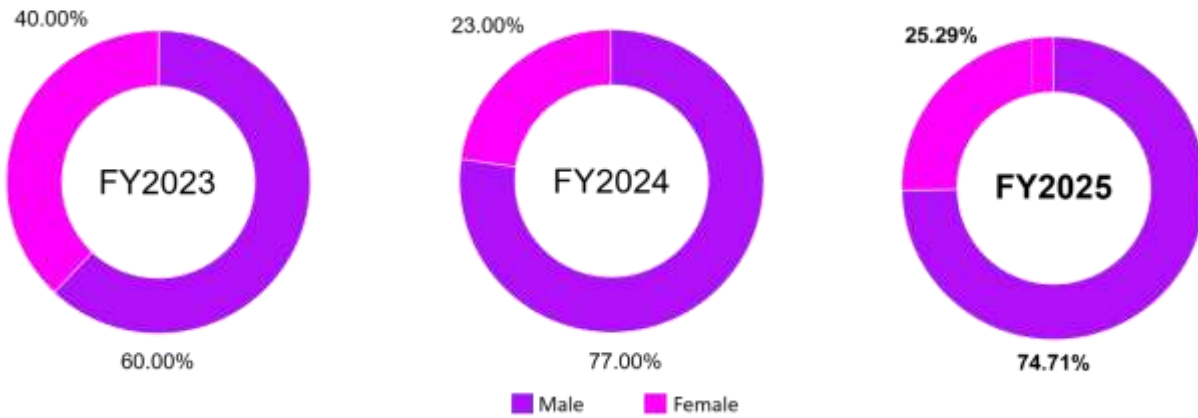
- Ethnicity Data

Percentage of Board by Ethnicity	Malay / Bumiputera	Chinese	Indian	Others
Board of Directors	75%	25%	-	-

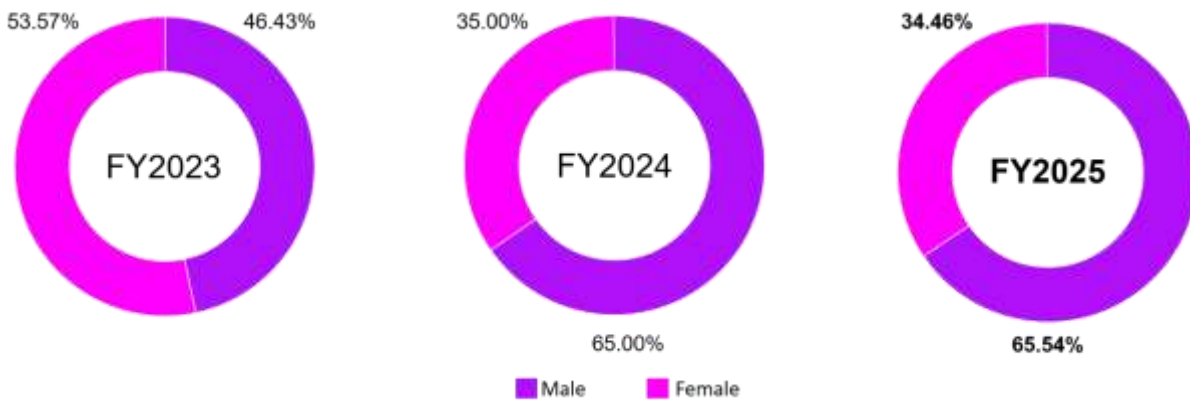
Percentage of Employees by Ethnicity	Malay / Bumiputera	Chinese	Indian	Others
Management	89%	5%	6%	-
Executive	91%	1%	8%	-
Non-Executive	93%	0%	7%	-

- Percentage of employees by gender for each employee category:

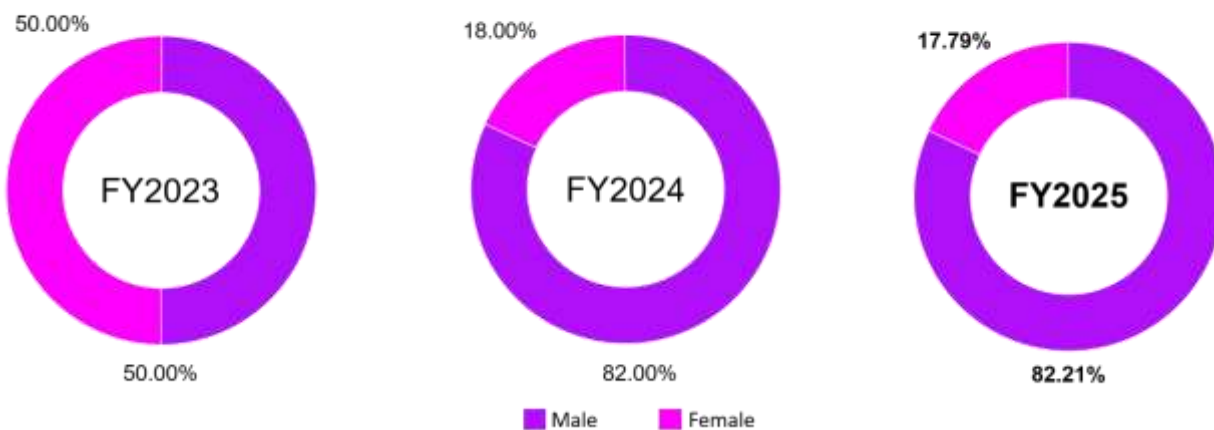
**Management**



**Executive**

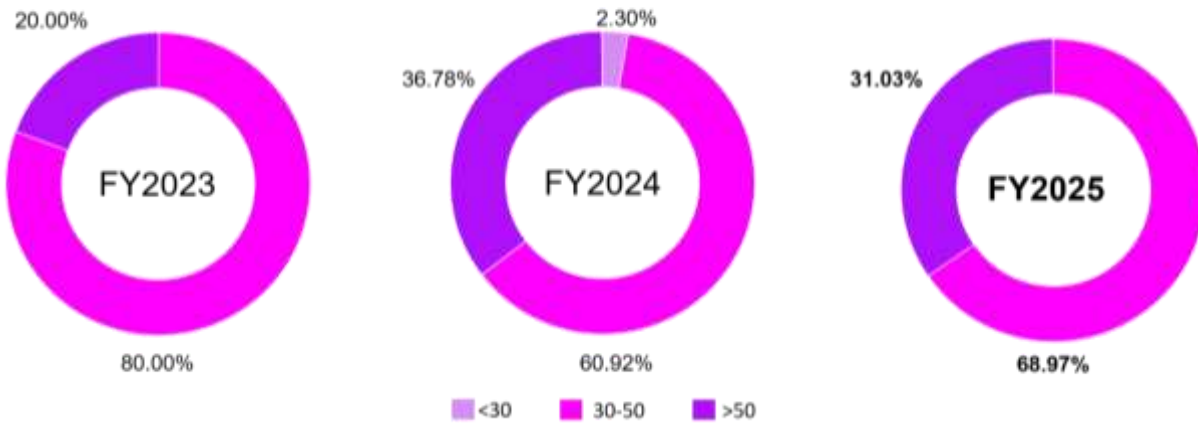


**Non-Executive**

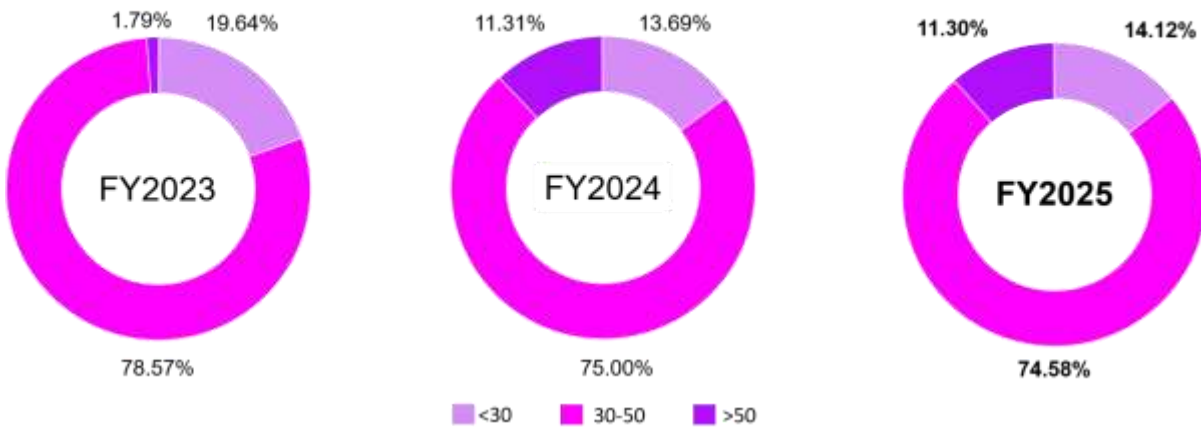


- Percentage of employees by age group for each employee category:

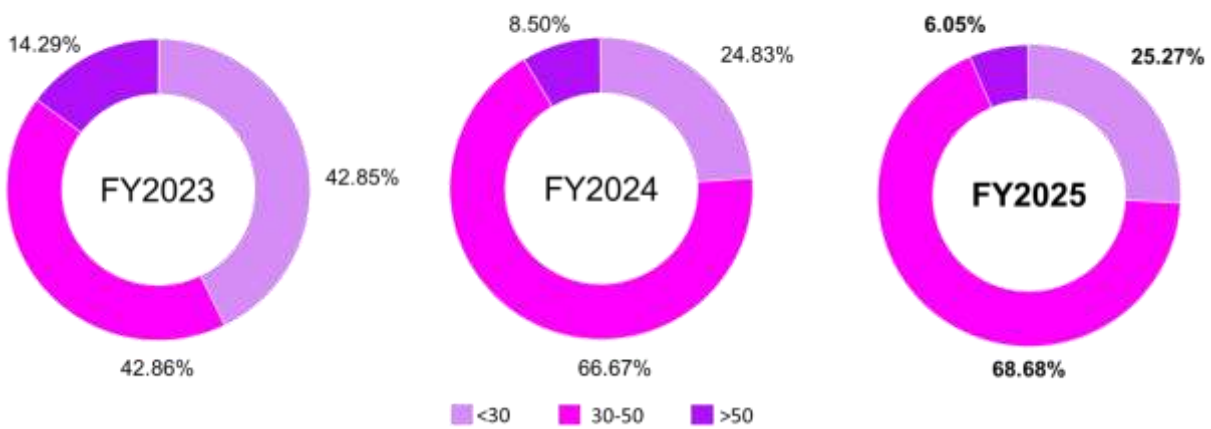
**Management**



**Executive**



**Non-Executive**





## Community / Society

### Related UNSDG



### Why It Matters

The Group is committed to supporting the communities in which it operates through initiatives that contribute to social well-being and local development. Community engagement efforts are guided by the principle of creating positive and meaningful impact while fostering strong relationships with local stakeholders.

Strong community engagement also helps the Group build trust, strengthen social licence to operate, and contribute to broader socio-economic development. By working collaboratively with local stakeholders and supporting initiatives that address community needs, businesses can create long-term positive impact while supporting sustainable and inclusive growth.

### Our Approach

The Group is committed to supporting the development and well-being of the communities in which it operates. As part of its role as a responsible corporate citizen, the Group undertakes initiatives aimed at contributing to the socio-economic progress of the surrounding community. These efforts are focused on creating positive and meaningful impact through initiatives that include local employment, providing employability support for individuals within the community, as well as allocating resources and financial contributions towards local sourcing, and programmes that support broader social development.

One key area of focus is the provision of employability support, particularly for youth and individuals from the surrounding community. Through initiatives such as internship opportunities, postgraduate training schemes, and career talks, the Group seeks to provide practical exposure and guidance that help individuals develop relevant skills, gain industry insights, and enhance their readiness for future employment opportunities.

Some of the activities include organising a career talk and knowledge sharing session for Akademi Binaan Malaysia (ABM) Wilayah Utara's students, a special sharing session by our own Group Chief Executive Officer for aspiring corporate talents under Majuperak Holdings Berhad's Leadership Series program, and Program Generasi Berintegriti Bersama Menolak Rasuah, a program catered for Form 4 & 5 students in collaboration with Suruhanjaya Pencegahan Rasuah Malaysia (Perak).

In addition, the Group also contributes to community development through financial support and the allocation of resources towards programmes that address socio-economic needs within the community. These initiatives are undertaken in collaboration with relevant stakeholders and aim to support social causes while contributing to the overall well-being and development of the communities surrounding the Group's operations.

Lumut Port invested RM 921,757 in community initiatives, benefiting a total of 495 individuals, demonstrating its commitment to supporting local communities and creating positive social impact.

The hospitality and tourism segment also organised several community outreach programmes aimed at supporting vulnerable groups and strengthening community engagement. These included Program Tautan Kasih Ramadhan, which provided support and meaningful engagement for children from welfare organisations such as Pertubuhan Kebajikan Anak Yatim & Miskin Ar Ridwani and Yayasan Amanah An-Nur Maisarah during the Ramadan period.

The Group also extended assistance through Program Kotak Prihatin Banjir 2025, distributing essential aid boxes to affected residents in Kampung Selabak, Teluk Intan as part of its humanitarian response to flood situations.

In addition, the Back-to-School 2025 initiative supported students from Kampung Padang Tembak, Teluk Intan, by providing school supplies and essential assistance to help them prepare for the new academic year.



**Donation for UPSI students**



**Contribution to FRU Personnel**



**Back to School Program (SK Telaga Nanas)**



**CSR Ramadan 2025**

**Back to School Programme**

250 students, Kg. Padang Tembak, Teluk Intan



**Bubur Lambuk Distribution Programme**

- 14 March 2025: Pusat Jagaan Anak-Anak Yatim & Miskin Nurul Iman, Manjoi – 50 Pax
- 21 March 2025: Kompleks Pendidikan Addeeniah, Taman Meru – 50 Pax
- 28 March 2025: Masjid Al Muttaqin, Taman Meru – 50 Pax



**Kotak Prihatin Banjir 2025 Programme**

60 boxes, Kampung Selabak, Teluk Intan



**Tautan Kasih Ramadhan Programme**

- Pertubuhan\_Kebajikan Anak Yatim & Miskin Ar Ridwani – 20 children
- Yayasan Amanah An-Nur Maisarah – 15 children

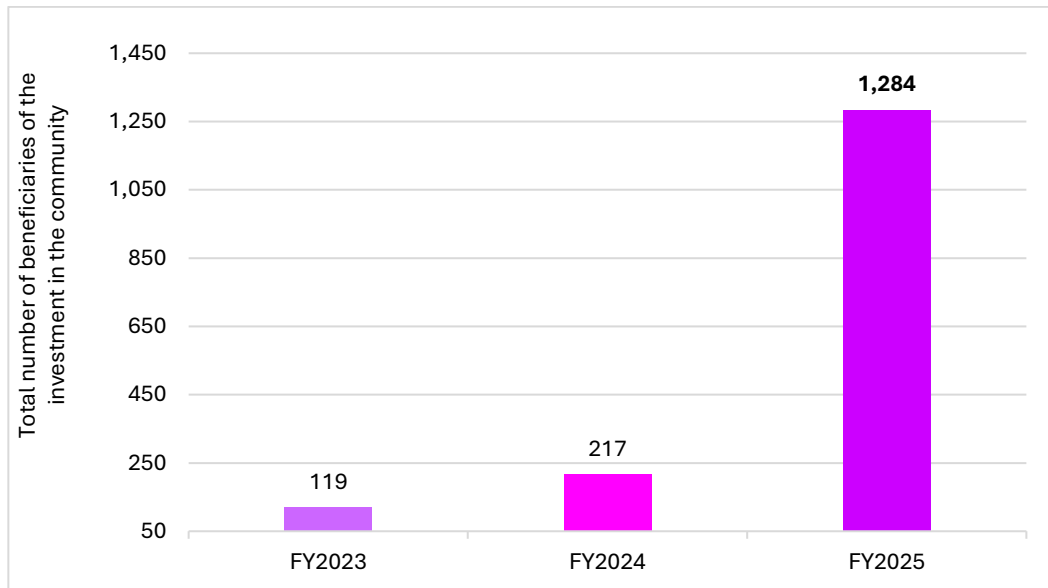


## Our Performance

- Total amount invested in communities where the target is external to the listed issuer:



- Total number of beneficiaries of the investment in the community:



## Sustainability Performance - Governance



### Anti-Corruption

#### Related UNSDG



#### Why It Matters

The Group remains committed to 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, including bribery, legal penalties, and unethical decision-making, thus fostering long-term business sustainability.

#### Our Approach

The Integrity and Governance Unit 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.

Following the implementation of the Organisational Anti-Corruption Plan ("OACP") 2022-2024, the Group introduced the OACP 2026-2028 as a structured and forward-looking framework to further strengthen integrity and governance practices across the organisation. Among the planned key initiatives are:

##### 1. Corruption Risks Management Framework

The adoption of a risk-based approach through the implementation of the Corruption Risk Management framework, which enables the systematic identification, assessment, and mitigation of corruption risks across the Group's operations.

##### 2. Anti-corruption programmes

The implementation of targeted anti-corruption programmes to reinforce ethical awareness and regulatory compliance within the organisation. These initiatives include anti-corruption training and integrity awareness programmes that are tailored to operational needs, ensuring representation across all employee categories.

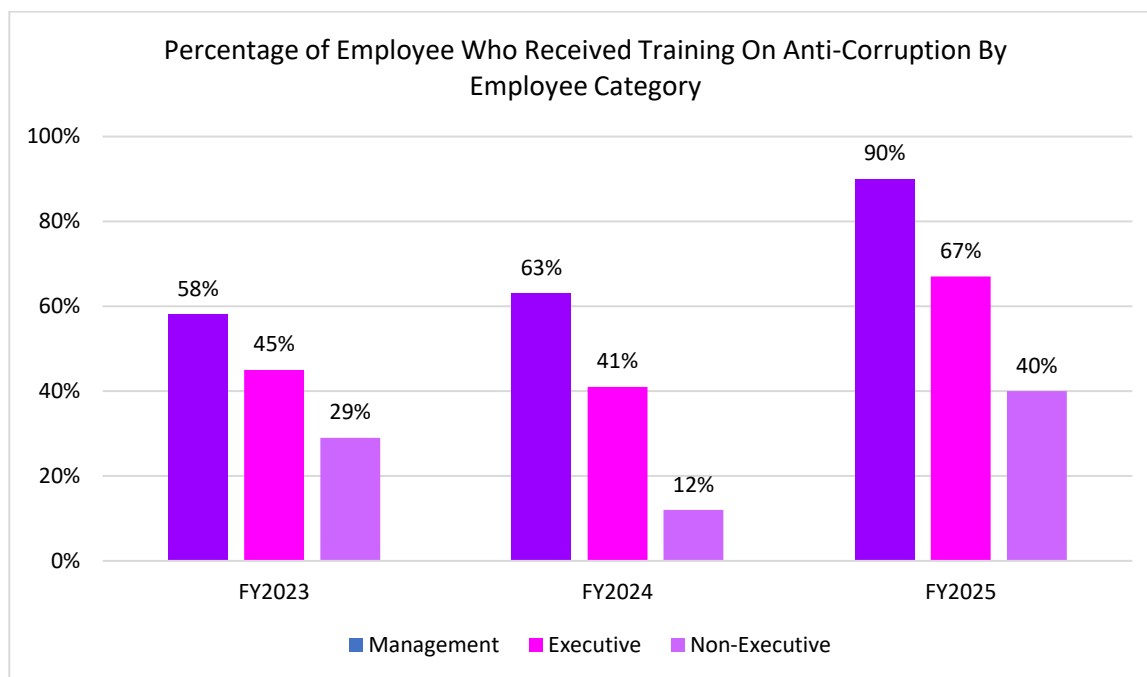
In addition to the mentioned key initiatives, the OACP also outlines several initiatives to further strengthen governance and internal controls across the Group. These include improvements in procurement governance, enhanced due diligence procedures for the selection and appointment of vendors and business partners, integrity awareness programmes, and continuous monitoring of corruption risks within operational processes.

Each of these initiatives and policies is communicated to all employees on an annual basis, or as required in response to relevant updates from regulatory authorities.

## Our Performance

- **Anti-Corruption Training**

Anti-corruption training forms a key component of the Group's efforts to strengthen employees' awareness of ethical business practices and ensure compliance with applicable anti-corruption laws and internal policies. The percentage of employees who received anti-corruption training by employee category is as follows:



Employee Category	FY2023	FY2024	FY2025
Management	58%	63%	90%
Executive	45%	41%	67%
Non-Executive / General Worker	29%	12%	40%

Over the three-year period, the Group recorded progressive improvements in anti-corruption training participation, particularly among management and executive employees who play critical roles in decision-making and oversight.

Among management-level employees, training participation increased from 58% in FY2023 to 63% in FY2024, before rising significantly to 90% in FY2025. This substantial increase reflects the Group's intensified focus on ensuring that senior personnel are well equipped to uphold ethical leadership and reinforce a culture of integrity within their respective functions.

For executive-level employees, participation improved from 45% in FY2023 to 67% in FY2025. While a slight decline was observed in FY2024, where participation stood at 41%. Similarly, training participation among non-executive employees recorded 29% in FY2023, before declining to 12% in FY2024. In FY2025, participation increased markedly to 40%.

The significant increase in FY2025 indicates the effectiveness of the Group's renewed efforts to expand training coverage through enhanced training outreach and delivery methods to ensure broader participation across all employee categories.

Understanding the challenges of operational scheduling constraints and workforce availability for training programmes, the Group will continue to explore more engagement mechanisms to ensure that all employees understand their roles and responsibilities in preventing corruption and upholding ethical business practices.

- **Operations assessment for corruption-related risks:**

Corruption risk assessments are conducted periodically across all key operations to identify potential exposure to bribery and corruption risks and to ensure that appropriate controls are implemented. These assessments form an important part of the Group’s broader governance and risk management framework, supporting the effective implementation of its anti-corruption policies and procedures. The assessment rates are as follows:

	FY2023	FY2024	FY2025
Total Number of Operations	7	7	4*
Total Number of Operations Assessed for Corruption-related Risks	6	6	4
% of Operations Assessed for Corruption-related Risks	86%	86%	100%

\*Note: Areas of operation have been aligned according to business segments for better clarity and industry peer comparability.

In FY2023 and FY2024, corruption-related risk assessments were conducted for six (6) out of the seven (7) operational areas, representing 86% coverage. One operational area was not subjected to a full assessment during these years, as it was preliminarily assessed to be low risk during the initial screening process, and therefore did not meet the threshold for a detailed corruption risk assessment.

In FY2025 the Group conducted a realignment exercise for the area of operation, now categorised by business segments, for better clarity and comparability with industry peers. All operational areas are fully assessed for corruption risk, reflecting the Group’s commitment to proactively identifying and managing corruption risks.

- **Confirmed incidents of corruption and action taken**

	FY2023	FY2024	FY2025
Number of confirmed incidents of corruption	0	0	0

There were no confirmed incidents nor penalties relating to corruption cases reported within the Group as at the end of the reporting period. This outcome reflects the effectiveness of the Group’s preventive measures, internal controls, and compliance frameworks in mitigating corruption risks and promoting a strong culture of integrity across the organisation.

Moving forward, the Group will continue to implement the initiatives outlined under the OACP 2026-2028 to further strengthen corruption risk management, enhance governance controls, and promote a strong culture of integrity and accountability across all levels of the organisation.



## Data Privacy & Security

### Related UNSDG



### Why It Matters

The volume of sensitive information, such as employee records, customer data, and financial information being processed and stored has grown significantly as more organisations adopt digital systems in their daily operations. While this shift enhances operational efficiency and accessibility, any cyber incident, data breach, or unauthorised use of such information may result in financial losses, regulatory penalties, operational disruptions, and reputational damage.

### Our Approach

The Group remain committed to protecting personal, financial, and confidential information entrusted to us. To achieve this, we implement appropriate security controls and align our practices with applicable laws, regulatory requirements, and recognised industry standards.

Adhering to relevant regulations, including the Personal Data Protection Act (PDPA) 2010, also reinforces responsible data management practices and helps strengthen trust among key stakeholders such as customers, employees, shareholders, and business partners. We recognise the importance of maintaining a reliable and responsive cybersecurity framework to safeguard our systems and information assets.

To support secure IT operations, we have established SOP that guide us in the proper use of information systems. These SOP outline requirements relating to user access management, password security, and network security. We review and update these policies periodically to ensure they remain effective in addressing emerging cybersecurity threats and technological developments. At the same time, we promote cybersecurity awareness regularly across the organisation that encourages employees to adopt safe digital practices in their daily work.

We also continue to enhance our cybersecurity capabilities by adopting appropriate security technologies, monitoring our systems regularly, and conducting periodic risk assessments to identify and address potential vulnerabilities. These initiatives help us strengthen our overall security readiness and minimise potential risks to our information systems.

Beyond regulatory compliance, we recognise that strong data privacy and cybersecurity practices contribute to stakeholder confidence and support sustainable business growth. By integrating these practices into our governance and sustainability framework, we aim to foster a secure and trustworthy digital environment.

Moving forward, we remain committed to continuously improving our cybersecurity capabilities, strengthening resilience against cyber threats, and maintaining high standards of data protection to support the Group's long-term objectives.

## Our Performance

Employee Category	FY2023	FY2024	FY2025
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0%	0%	0%

As of FY2025, the Group did not receive any complaints related to human rights violations associated with data privacy or confidentiality. This reflects the Group's continued commitment to safeguarding personal data and maintaining responsible data management practices across its operations.



## Supply Chain Management

### Related UNSDG



### Why It Matters

The Group recognises that responsible supply chain practices are fundamental to sustainable business operations. As a group involved primarily in ports and logistics, property development, and hospitality and tourism operations, our supply chain spans contractors, consultants, service providers, and operational suppliers across multiple industries.

The sustainability of our operations is closely linked to the ethical, environmental, and operational standards maintained throughout our supply chain. Poor supply chain practices may expose the Group to operational disruptions, regulatory non-compliance, financial risks, and reputational impact.

Accordingly, the Group is committed to promoting transparent, responsible and sustainable procurement practices, ensuring that suppliers and contractors operate in accordance with applicable laws, ethical standards and environmental considerations.

### Our Approach

The Group emphasises the development of long-term and collaborative relationships with contractors, suppliers, and service providers who share our commitment to responsible business conduct and operational excellence.

Procurement practices across the Group are guided by principles of transparency, competitiveness, and value for money, while ensuring compliance with applicable laws, regulations, and ethical standards. Suppliers and contractors are expected to conduct their operations responsibly and deliver goods and services that meet the Group's operational and quality expectations.

#### 1. Supplier Expectations

The Group expects all suppliers and contractors to operate in accordance with applicable laws, regulations, and recognised industry standards.

Suppliers are required to uphold ethical labour practices and responsible business conduct, including the prohibition of undocumented workers and illegal employment practices. In addition, suppliers are expected to observe relevant environmental and safety standards in their operations to ensure responsible and compliant service delivery.

Through these expectations, the Group seeks to ensure that its procurement activities are conducted responsibly while minimising legal, operational, and reputational risks associated with supply chain practices.

## 2. Supporting Local Supply Chains

The Group continues its commitment to prioritise sourcing from local suppliers where feasible, reflecting its commitment to supporting domestic industries and strengthening supply chain reliability.

By working closely with Malaysian suppliers across its business segments, the Group contributes to the development of local enterprises while maintaining reliable access to goods and services necessary for its operations. This approach also supports broader economic participation and the growth of small and medium enterprises within the communities where the Group operates.

### Our Performance

The Group remains committed to responsible procurement practices that support operational efficiency while contributing to the development of local economies where it operates. The Group's spending data on suppliers over the last three (3) financial years is as follows:

Metric	FY2023	FY2024	FY2025
% of spending on local suppliers	100%	98.30%	<b>98.28%</b>

The Group has maintained a consistently high proportion of procurement spending on local suppliers across its business segments, demonstrating its strong commitment to supporting domestic businesses and strengthening local supply chains. The Group had a good start in FY2023, with 100% of procurement spending directed to local suppliers, reflecting the Group's reliance on locally sourced goods and services to support its operations.

In FY2024, however, the proportion of spending on local suppliers decreased slightly to 98.3%, primarily due to the procurement of certain specialised goods and services for Lumut Port that were not readily available within the local market. Despite this marginal change, the Group continued to maintain a strong local sourcing profile.

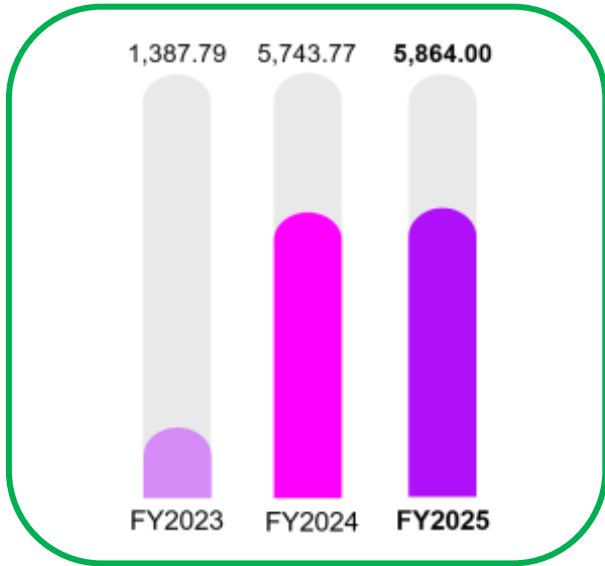
FY2025 saw a steady bounce-back to 98.28%, indicating the Group's continued efforts to prioritise local procurement wherever feasible while balancing operational requirements and supplier capabilities.

Moving forward, Perak Corp will continue to strengthen responsible procurement practices and enhance engagement with suppliers to support sustainable growth across the Group's operations.

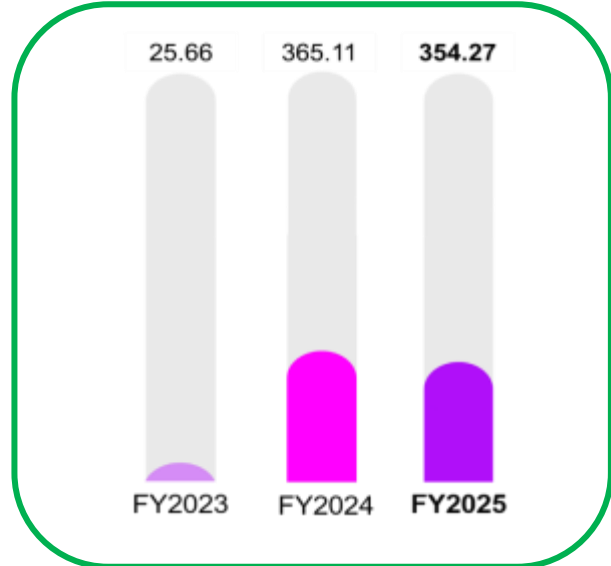
# FY2025 Sustainability Achievements

## Environmental

Total energy consumption (MWh)

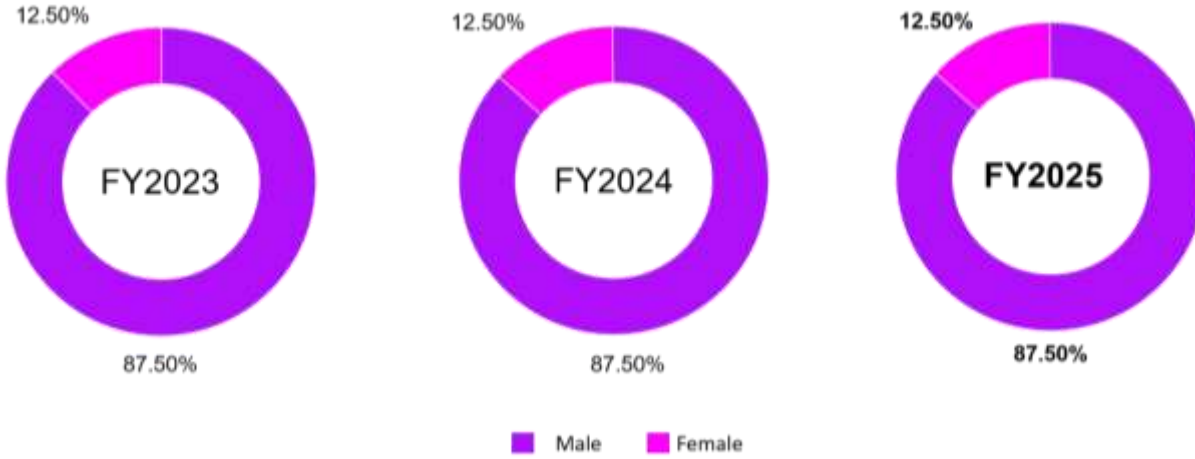


Total water consumption (ML)

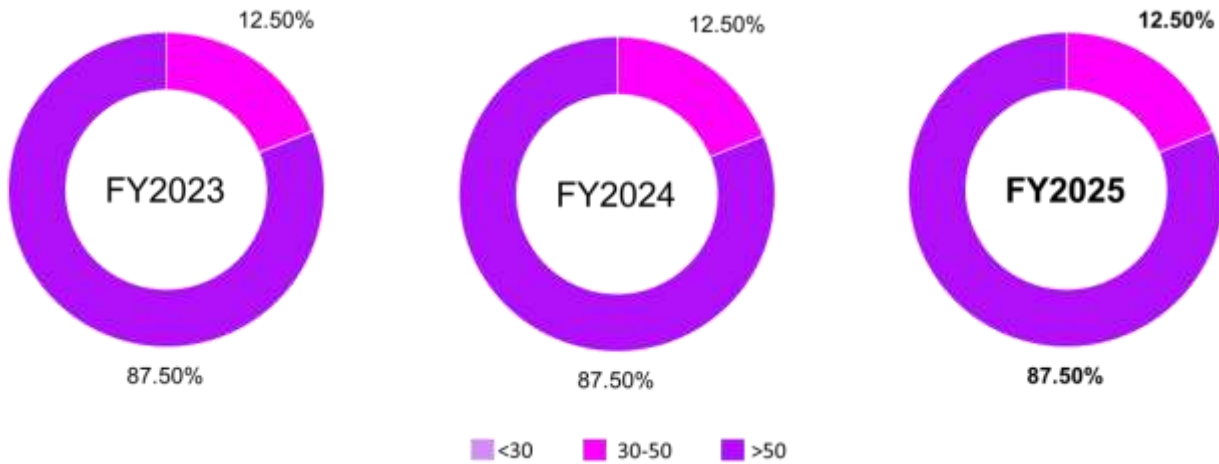


## Social

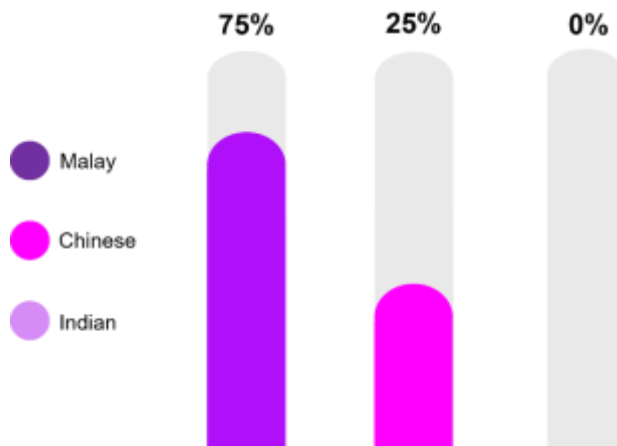
### Percentage of directors by gender



### Percentage of directors by age



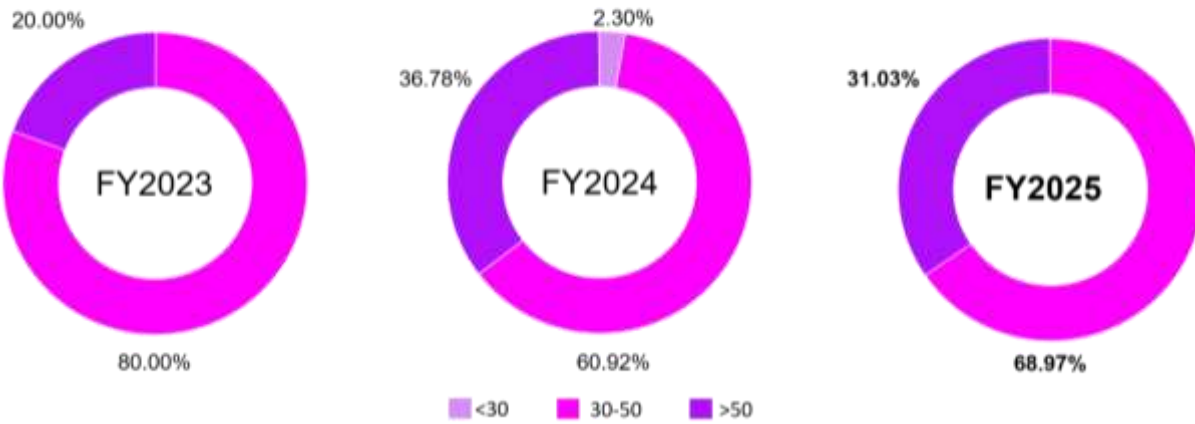
### Percentage of directors by ethnicity



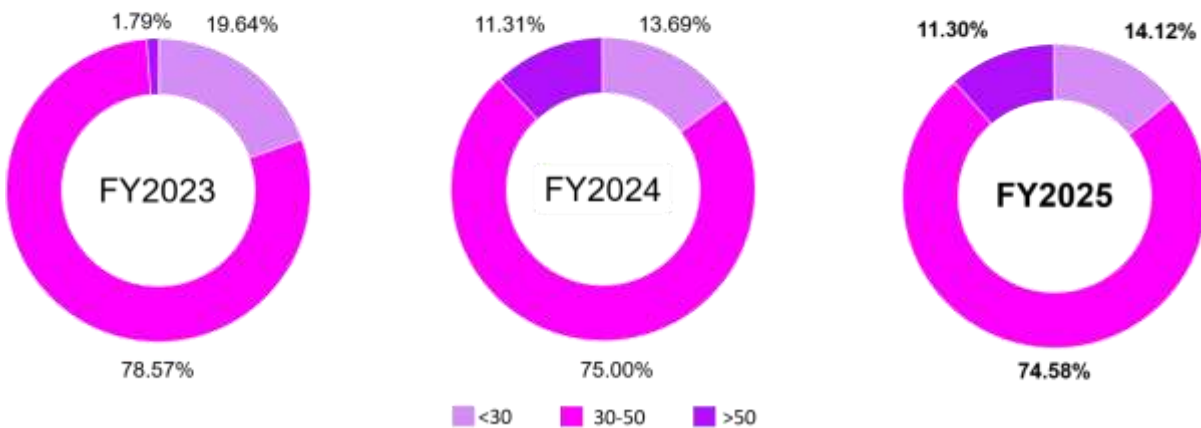
## Social

### Age group by employee category

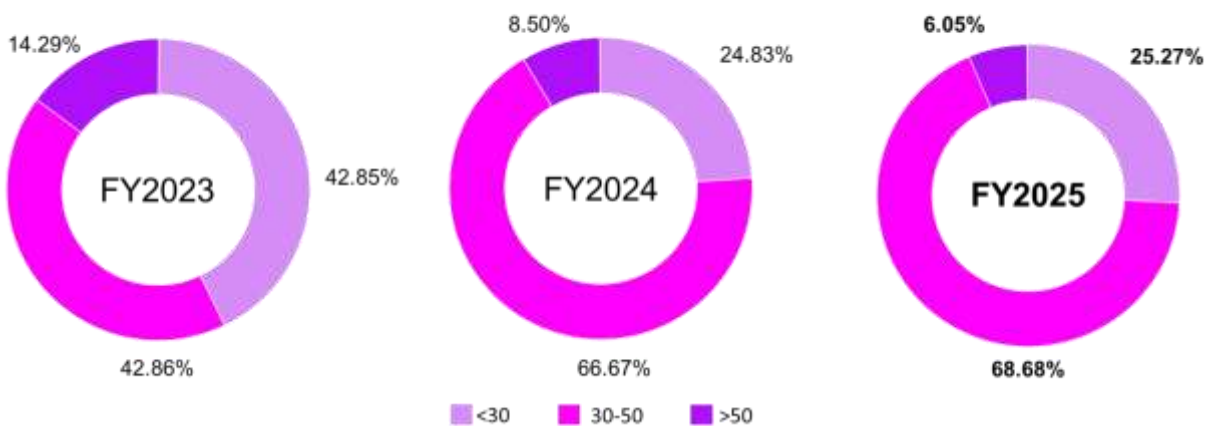
#### Management



#### Executive



#### Non-Executive



## Social

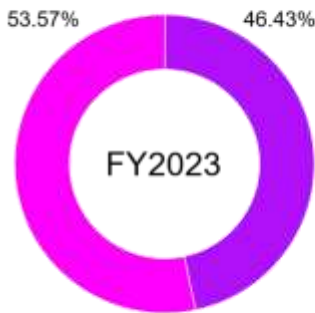
### Gender group by employee category

#### Management



Male Female

#### Executive



Male Female

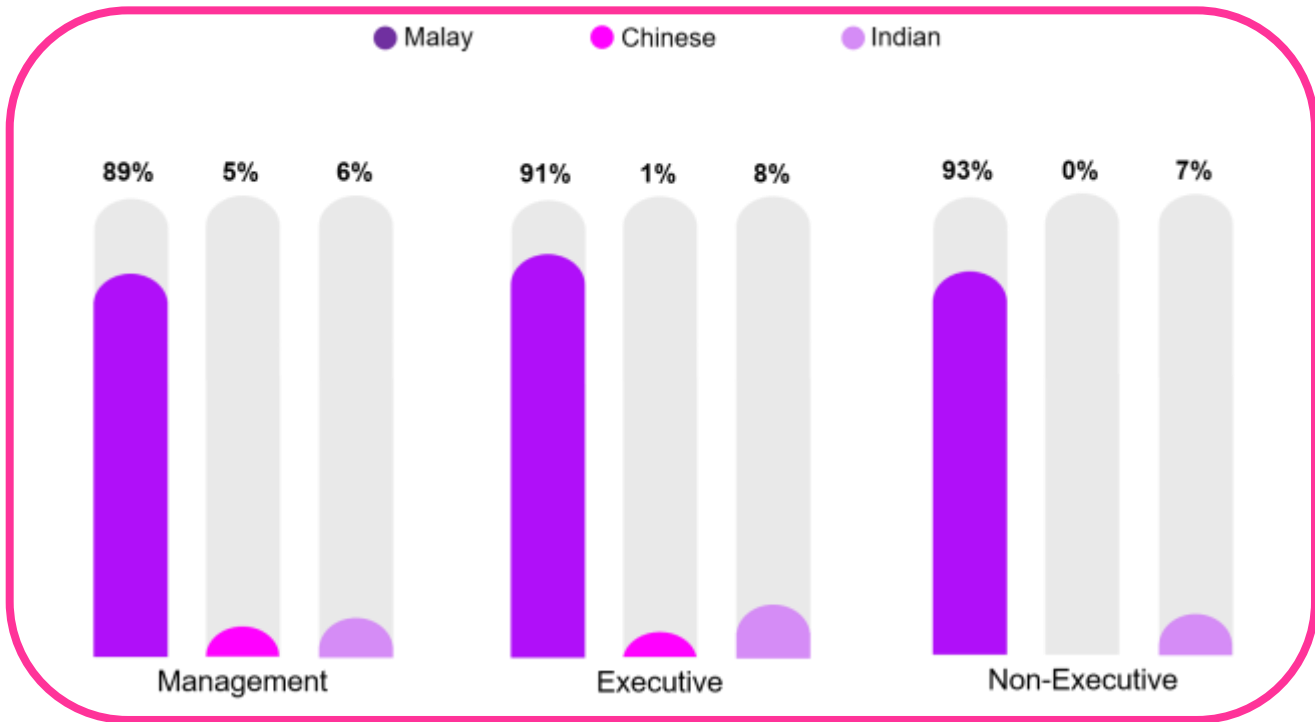
#### Non-Executive



Male Female

## Social

Percentage of employee by ethnicity



Total training hours by employee category



## Social

### Total number of employee turnover by employee category



**0**  
Number of substantiated complaints concerning human rights violations



FY2024: 0  
FY2023: 0

**0**  
Number of work-related fatalities



FY2024: 0  
FY2023: 1

**0.66**  
Lost-time incident rate



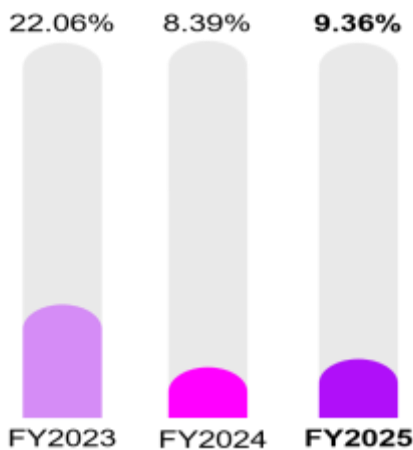
FY2024: 0.48  
FY2023: 3.09

**307**  
Number of employees trained on Health & Safety Standards



FY2024: 340  
FY2023: 2

### Percentage of contract or temporary staff



**RM900,044.35**

Total amount invested in communities where the target is external to listed issuer

FY2024: RM1,420,525.00  
FY2023: RM1,032,660.00

**1,284**

Total number of beneficiaries of the investment in community

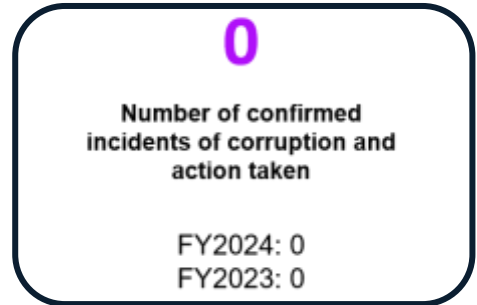
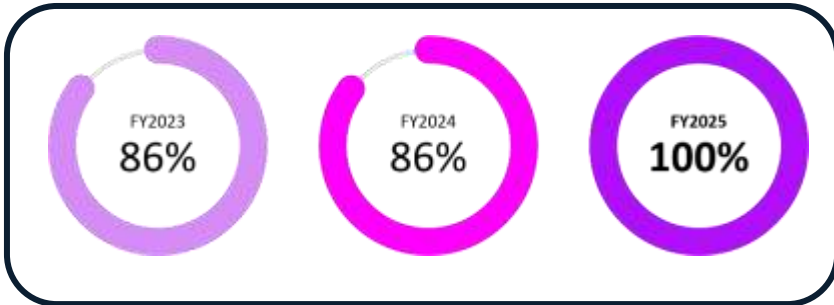
FY2024: 217  
FY2023: 119

## Governance

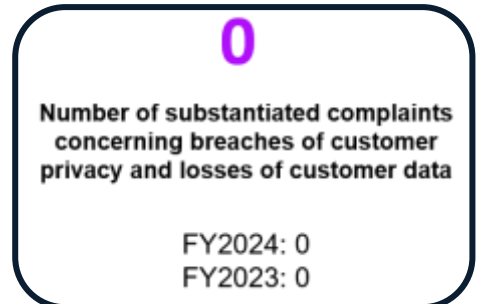
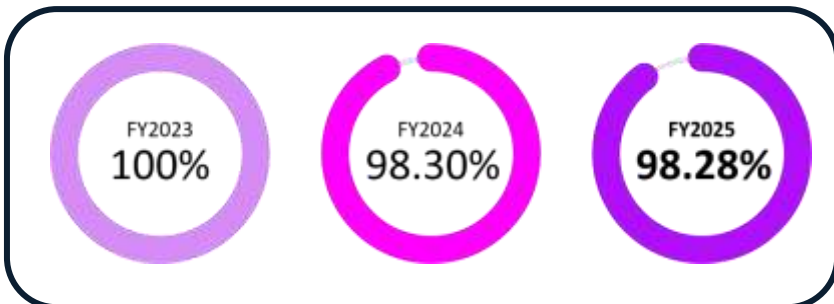
### Percentage of employees who received anti-corruption training by employee category



### Percentage of operations assessed for corruption risk



### Percentage of spending on local suppliers



## Outlook and Way Forward

In FY2025, the Group continued to strengthen its sustainability journey, making measurable progress across environmental, social, and governance priorities while further embedding sustainability into its core business practices. Improvements in health and safety performance, expanded training and capability building, and the achievement of full corruption risk assessment coverage reflect a more structured and disciplined approach to managing non-financial risks and opportunities.

Across its environmental and operational footprint, the Group maintained a focus on resource efficiency and responsible consumption, while on the social front, continued investments in workforce development, diversity, and community engagement contributed to a more inclusive and resilient organisation. These efforts are complemented by strengthened governance practices, including enhanced anti-corruption measures, data privacy safeguards, and supply chain oversight, reinforcing stakeholder confidence in the Group's business integrity.

Notwithstanding the progress achieved, the Group recognises that its sustainability journey remains evolving and iterative. Variations in certain performance indicators, particularly in safety metrics and training coverage across employee categories, highlight the need for greater consistency, deeper operational integration, and more data-driven interventions.

Moving forward, the Group will focus on transitioning from foundational practices to a more performance-driven sustainability approach, with greater emphasis on target setting, risk-based prioritisation, and measurable outcomes. This includes strengthening environmental management initiatives, further institutionalising a proactive safety culture, enhancing human capital development, and advancing responsible supply chain practices.

As the Group continues to grow, sustainability will remain a key enabler of long-term value creation, guiding decision-making and ensuring that business expansion is aligned with responsible, resilient, and ethical practices.

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Energy Management	Total Energy Consumption	Megawatt	5,864.00	-	Internal
Water	Total Volume of Water Used	Megalitres	354.27	-	Internal
Health & Safety	Number of Work-Related Fatalities	Number	0	0	Internal
Health & Safety	Lost Time Incident Rate ("LTIR")	Rate	0.68	0	Internal
Health & Safety	Number of Employees Trained on Health and Safety Standards	Number	307	-	Internal
Labour Practice & Standard	Total Hours of Training by Employee Category (Management)	Hour	3,955.00	-	Internal
Labour Practice & Standard	Total Hours of Training by Employee Category (Executive)	Hour	2039.50	-	Internal
Labour Practice & Standard	Total Hours of Training by Employee Category (Non-Executive / Technical Staff)	Hour	13,886.00	-	Internal
Labour Practice & Standard	Percentage of Employees That are Contractors or Temporary Staff	Percentage (%)	9.36	-	Internal
Labour Practice & Standard	Total Number of Employee Turnover by Employee Category (Management)	Number	12	-	Internal
Labour Practice & Standard	Total Number of Employee Turnover by Employee Category (Executive)	Number	19	-	Internal
Labour Practice & Standard	Total Number of Employee Turnover by Employee Category (Non-Executive / Technical Staff)	Number	53	-	Internal
Labour Practice & Standard	Number of Substantiated Complaints Concerning Human Rights Violations	Number	0	0	Internal
Diversity	Percentage of Employees by Gender for Each Employee Category (Male Management)	Percentage (%)	74.71	-	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of Employees by Gender for Each Employee Category (Female Management)	Percentage (%)	25.29	-	Internal
Diversity	Percentage of Employees by Gender for Each Employee Category (Male Executive)	Percentage (%)	65.54	-	Internal
Diversity	Percentage of Employees by Gender for Each Employee Category (Female Executive)	Percentage (%)	34.46	-	Internal
Diversity	Percentage of Employees by Gender for Each Employee Category (Male Non-Executive / Technical Staff)	Percentage (%)	82.21	-	Internal
Diversity	Percentage of Employees by Gender for Each Employee Category (Female Non-Executive / Technical Staff)	Percentage (%)	17.79	-	Internal
Diversity	Percentage of Management Aged Under 30	Percentage (%)	0	-	Internal
Diversity	Percentage of Management Aged Between 30 - 50	Percentage (%)	68.97	-	Internal
Diversity	Percentage of Management Aged Above 50	Percentage (%)	31.03	-	Internal
Diversity	Percentage of Executive Aged Under 30	Percentage (%)	14.12	-	Internal
Diversity	Percentage of Executive Aged Between 30 - 50	Percentage (%)	74.58	-	Internal
Diversity	Percentage of Executive Aged Above 50	Percentage (%)	11.30	-	Internal
Diversity	Percentage of Non-Executive / Technical Staff Aged Under 30	Percentage (%)	25.27	-	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Diversity	Percentage of Non-Executive / Technical Staff Aged Between 30 - 50	Percentage (%)	68.69	-	Internal
Diversity	Percentage of Non-Executive / Technical Staff Aged Above 50	Percentage (%)	6.05	-	No assurance
Diversity	Percentage of Male Directors	Percentage (%)	87.50	-	Internal
Diversity	Percentage of Female Directors	Percentage (%)	12.50	-	Internal
Diversity	Percentage of Directors Aged Under 30	Percentage (%)	0	-	Internal
Diversity	Percentage of Directors Aged Between 30 -50	Percentage (%)	12.50	-	Internal
Diversity	Percentage of Directors Aged Above 50	Percentage (%)	87.50	-	Internal
Community / Society	Total Amount Invested in The Community External to The Listed Issuer	MYR	900,044.35	-	Internal
Community / Society	Total Number of Beneficiaries of The Investment in Communities	Number	1,284	-	Internal
Anti-Corruption	Percentage of Management Who Have Received Training on Anti-Corruption	Percentage (%)	90	-	Internal
Anti-Corruption	Percentage of Executive Who Have Received Training on Anti-Corruption	Percentage (%)	67	-	Internal
Anti-Corruption	Percentage of Non-Executive / Technical Staff Who Have Received Training on Anti-Corruption	Percentage (%)	40	-	Internal
Anti-Corruption	Percentage of Operations Assessed for Corruption-Related Risks	Percentage (%)	100	-	Internal

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Anti-Corruption	Confirmed Incidents of Corruption and Action Taken	Number	0	0	Internal
Data Privacy & Security	Number of Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Number	0	0	Internal
Supply Chain Management	Proportion of Spending on Local Suppliers	Percentage (%)	98.28	-	Internal

## **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 in applying the three principles and the practices with reference to the principles set out in the MCCG, except where stated otherwise, during FY2025 under the leadership of the Board.

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

- i. Board Leadership and Effectiveness;
- ii. Effective Audit and Risk Management; and
- iii. Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders.

This statement is prepared in compliance with Bursa Securities Main Market Listing Requirements (“Listing Requirements”). 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 the 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 the management insight into the directors’ fiduciary duties.

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 the 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 extend 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 has reviewed and revised the Anti-Corruption and Bribery Policy on 26 November 2025. The Board will review 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 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 be 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 reviews 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).

## **Sustainability Governance**

The Board recognises the importance of incorporating sustainable considerations into its planning and decision-making process to ensure that the Group is able to deliver sustainable value and maintain confidence of its stakeholders.

The Board has a direct overview of the Group's performance against the key sustainability targets identified in terms of ESG and addresses the associated ESG risks and opportunities. The management identifies key performance indicators against the key sustainability targets set for better monitoring and tracking of its sustainability progress. The management also regularly reviews the material matters across the business and ensures implementation of initiatives and achievement of targets.

Further details are provided in the Sustainability Statement of the Company as set out on pages 29 to 87 in this Annual Report.

## **Board Composition**

During the financial year 2025 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 Non-Executive 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 financial year 2025, the Board held nine (9) meetings on 27 February 2025, 7 March 2025, 21 April 2025, 28 April 2025, 6 May 2025, 26 May 2025, 26 August 2025, 26 November 2025 and 10 December 2025. 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 2025</i>
Datuk Redza Rafiq bin Abdul Razak ( <i>Chairman</i> )	9/9
Dato' Seri Ir Mohamad Othman bin Zainal Azim	7/9
Datuk Seri Dr Hj Hasim bin Hasan	8/9
Andy Liew Hock Sim	9/9
Tan Chee Hau	9/9
Ahmad Yani bin Aminuddin	9/9
Faizul Hilmy bin Ahmad Zamri	9/9
Noor Azlin binti Zainal Abidin	9/9

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 rest of the Board members are independent directors as 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. The presence of the independent directors fulfils a pivotal role in corporate accountability in support of the Chairman.

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

Encik Rosmin bin Mohamed, the Group Chief Executive Officer (“GCEO”), who is not a director of the Company, leads the management team to achieve the corporate objectives outlined by the Board. 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 with regard to 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 reaches 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 financial year 2025.

## **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.

A number of senior management positions are held by women, including the Financial Controller, Head of Human Capital Development and Head of 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 appointment 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 serve 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 financial year 2025, the Nomination and Remuneration Committee held two (2) meetings on 6 March 2025 and 25 November 2025. The attendance of the members of the Nomination and Remuneration Committee is as follows:

	<i>Meeting attendance in 2025</i>
Ahmad Yani bin Aminuddin (Chairman)	2/2
Faizul Hilmy bin Ahmad Zamri	2/2
Datuk Seri Dr Hj Hasim bin Hasan	2/2

The activities carried out by the Nomination and Remuneration Committee during the financial year 2025, amongst others, included the recommendations to the Board on the following matters:

- (a) Reviewed and recommended the directors' fees and benefits packages for the period from July 2025 up to the month of the next AGM in 2026;
- (b) Assessed the eligibility and recommended the re-election of the retiring directors at the AGM of the Company;
- (c) Assessed the directors' training needs to ensure all directors receive appropriate continuous training;
- (d) Evaluated and assessed the performance of the Audit Committee as a whole and each of its members;
- (e) Evaluated and assessed the individual directors, the Board as a whole and the independent directors; and
- (f) Reviewed and recommended the salary adjustment for the employees of the Company.

### **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 2025, 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:

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

- The Audit Committee is competent and efficient in discharging and fulfilling their roles and responsibilities in accordance with its terms of reference;
- The Board structure is efficient, and the performance of the Board is generally good;
- 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
- 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>• Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Dato' Seri Ir Mohamad Othman bin Zainal Azim	<ul style="list-style-type: none"> <li>• Corporate ESG &amp; Sustainability</li> </ul>
Datuk Seri Dr Hj Hasim bin Hasan	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Andy Liew Hock Sim	<ul style="list-style-type: none"> <li>• Auditing of Construction Contracts &amp; Property Development Activities</li> <li>• Issuance &amp; Redemption of Preference Shares</li> <li>• Navigating Rising Audit Exemption Thresholds</li> <li>• Service Tax - Construction Maintenance &amp; Repair Services</li> </ul>
Tan Chee Hau	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> </ul>
Ahmad Yani bin Aminuddin	<ul style="list-style-type: none"> <li>• Business Development Incentive</li> <li>• Product Development and Digital Marketing</li> </ul>

<b>Name</b>	<b>Training Programme</b>
Faizul Hilmy bin Ahmad Zamri	<ul style="list-style-type: none"> <li>• Product Development and Digital Marketing</li> <li>• Business Development Incentive</li> </ul>
Noor Azlin binti Zainal Abidin	<ul style="list-style-type: none"> <li>• Mandatory Accreditation Programme Part II: Leading for Impact</li> <li>• Leading Governance for Sustainable Growth</li> </ul>

## **Remuneration Policy and Procedure**

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, 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 the 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 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 remuneration of directors and senior management commensurate with their level of responsibility as well as their individual performance and the Company and Group's performance.

## **Directors' Remuneration**

The remuneration of the directors of the Company comprising amount received or to be received from the Company and the Group for the financial year 2025 is as follows:

### **Company**

<b>Name of directors</b>	<b>Fees</b>	<b>Salaries</b>	<b>Other emoluments</b>	<b>Benefit-in-kind</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Datuk Redza Rafiq bin Abdul Razak	60	-	18	-	78
Dato' Seri Ir Mohamad Othman bin Zainal Azim	54	-	15	-	69
Datuk Seri Dr Hj Hasim bin Hasan	54	-	23	-	77

<b>Name of directors</b>	<b>Fees</b>	<b>Salaries</b>	<b>Other emoluments</b>	<b>Benefit-in-kind</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Andy Liew Hock Sim	54	-	21	-	75
Tan Chee Hau	54	-	24	-	78
Ahmad Yani bin Aminuddin	54	-	18	-	72
Faizul Hilmy bin Ahmad Zamri	54	-	23	-	77
Noor Azlin binti Zainal Abidin	54	-	16	-	70

<b>Group</b>					
<b>Name of director</b>	<b>Fees</b>	<b>Salaries</b>	<b>Other emoluments</b>	<b>Benefit-in-kind</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Datuk Redza Rafiq bin Abdul Razak	174	-	64	-	238

### **Senior Management's Remuneration**

The remuneration of the GCEO of the Company for the financial year 2025 is as follows:

<b>Name of GCEO</b>	<b>Fees from a subsidiary</b>	<b>Salaries</b>	<b>Other emoluments</b>	<b>Benefit-in-kind</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Rosmin bin Mohamed	24	816	251	-	1,091

The remuneration component, including salary, bonus, benefits-in-kind, and other emoluments of the current top five (5) senior management of the Group within the following bands for the financial year 2025 are as follows:

<b>Remuneration in band</b>	<b>Senior management (number)</b>
RM400,001-RM450,000	1
RM450,001-RM500,000	
RM500,001-RM550,000	1
RM550,001-RM600,000	1
RM600,001-RM650,000	

<b>Remuneration in band</b>	<b>Senior management (number)</b>
RM650,001-RM700,000	1
RM700,001-RM750,000	
RM750,001-RM800,000	
RM800,001-RM850,000	
RM850,001-RM900,000	
RM900,001-RM950,000	
RM950,001-RM1,000,000	
Above RM1,000,000	1

The Board noted that Practice 8.2 of the MCCG recommends the 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 of 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.) shall 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 114 to 118 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 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.

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 127 of the Annual Report.

## **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:

- the performance, technical competence, audit quality, sufficiency of resources and allocation of audit staff assigned to the audit;
- the appropriateness of audit fees to support a quality audit;
- the nature and extent of the non-audit services rendered and the appropriateness of the level of fees; and
- 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 financial year ending 31 December 2026.

## **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. The Board fulfils its responsibilities in the risk governance and oversight functions through the Risk Management Committee.

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 financial year 2025, the Risk Management Committee held four (4) meetings on 6 March 2025, 21 May 2025, 26 August 2025 and 25 November 2025. The attendance of the members of the Risk Management Committee is as follows:

	<i>Meeting attendance in 2025</i>
Tan Chee Hau (Chairman)	4/4
Dato' Seri Ir Mohamad Othman bin Zainal Azim	3/4
Andy Liew Hock Sim	4/4

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 104 to 113 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 independent assessment and assurance on the adequacy, efficiency and effectiveness of the Group's 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, joint ventures 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 twenty-eight (28) days before the date of the meeting. The Annual Report and other accompanying documents are also made available to shareholders at least twenty-eight (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 Thirty-Fourth (34<sup>th</sup>) AGM of the Company was conducted physically on 30 June 2025 in line with the directive from the Securities Commission and Bursa Securities to preserve the sanctity of shareholders' rights and ensure no one is excluded due to technological barriers.

At the 34<sup>th</sup> AGM, poll voting was conducted in respect of all resolutions by way of e-polling process provided by Tricor Investor & Issuing House Services Sdn Bhd 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.

## **Compliance Statement**

The Board is satisfied that the Group has substantially complied with the practices of the MCGG throughout the financial year 2025. 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**

In compliance with Paragraph 15.26 (b) of the Listing Requirements of Bursa Securities, the Board is pleased to present the Statement on Risk Management and Internal Control for FY2025 of the Group which has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers (“SORMIC Guide 2025”).

### **ROLES AND RESPONSIBILITIES**

The Board acknowledges of its overall responsibility for maintaining a sound system of risk management and internal control to safeguard the shareholders' investments and the Group's assets. The Board further recognises that the system of internal control is established to manage key risks within the Group and is continuously strengthened to remain responsive to evolving business conditions and emerging risk exposures. Although these controls cannot completely eliminate all risks, they provide reasonable though not absolute assurance in mitigating the likelihood of material misstatements, losses, or fraud. The Board is satisfied that the risk management policies and procedures implemented by the Management are prudent in ensuring that an efficient internal control and risk management systems are in place to make it possible to assess and manage risk.

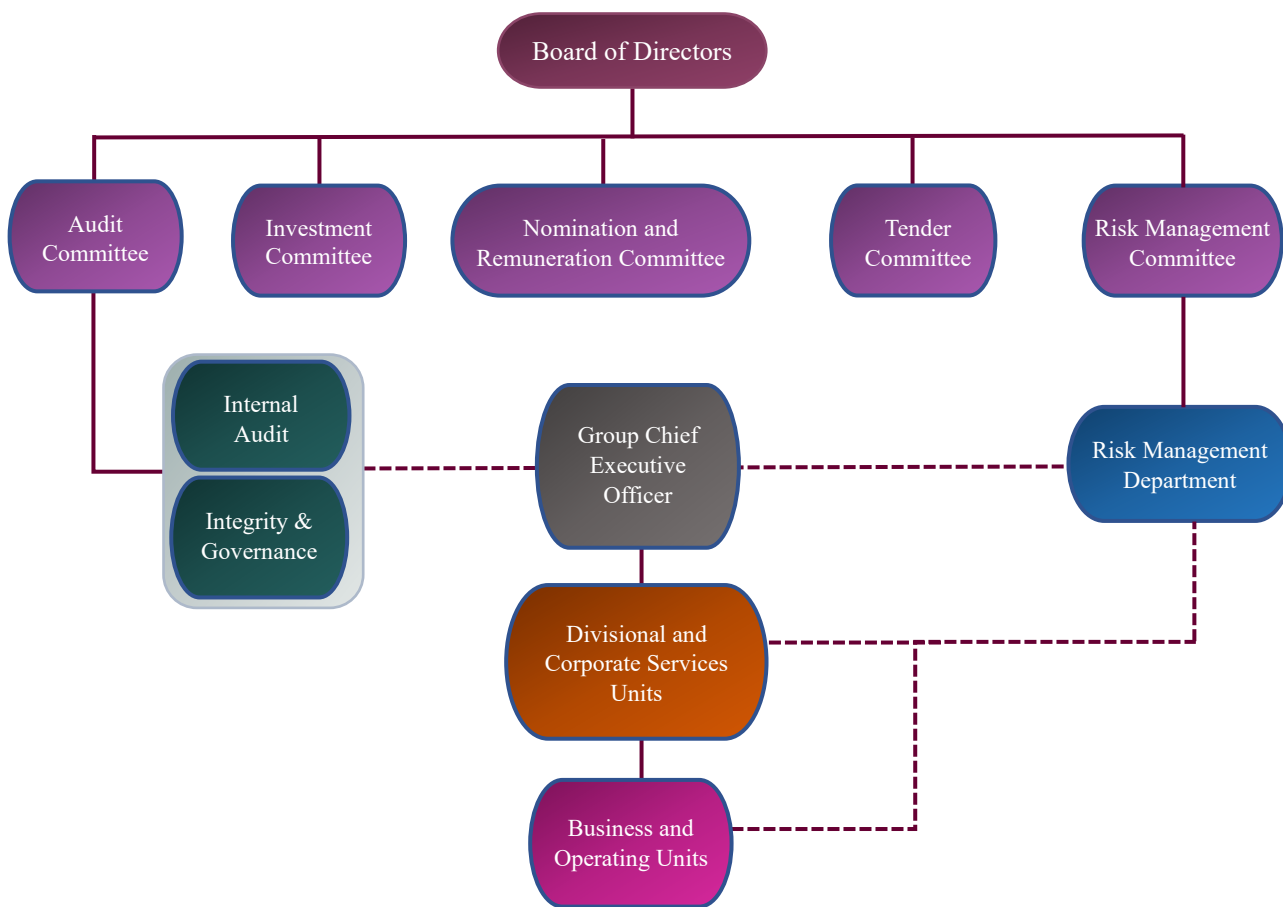
The Group's system of internal control covers risk management, financial, operational and compliance controls. The Board does not review internal control systems of associates, on the same basis as subsidiaries, as it does not have direct operational control over those entities. Notwithstanding the above, the Group's interests are safeguarded through board representation, management reporting and performance monitoring, where applicable.

Within the Group, significant risks are identified, managed and monitored at the operating unit and subsidiary levels, with oversight by the respective subsidiary Boards and escalation to Risk Management Committee and the Board, where appropriate. Where relevant, certain risks are mitigated through appropriate insurance coverage.

## MAIN FEATURES OF RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM

The internal control framework is structured to manage risk to an acceptable level and provides reasonable, but not absolute, assurance against significant adverse impacts on the achievement of its business objectives.

The internal control system of the Group is supported by an appropriate organisational structure with clear reporting lines, defined responsibilities, and delegated authorities across business units, Management, independent control functions and Board Committees, up to the Board, as illustrated below:



The Board recognises the importance of key risk management and internal control system in supporting the Group’s governance framework and 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 Non-Executive Director, and seven (7) Independent Non-Executive Directors.

The Board has established the Audit Committee, Investment Committee, Nomination and Remuneration Committee, Tender Committee and Risk Management Committee (“RMC”) with specific Terms of

Reference, 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:**

RMC assists the Board in establishing and maintaining a robust Risk Management Policy ("RMP") to support the achievement of the Group's strategic objectives and to safeguard shareholder's' investments and the Group's assets. The Terms of Reference, as approved by the Board, define the scope of the RMC's responsibilities and activities.

The RMC is chaired by an Independent Non-Executive Director, and all its members are Independent Non-Executive Directors. The Chairman of the RMC reports to the Board on matters considered by the RMC.

Details of the composition of the RMC and attendance of its members during FY2025 are set out below:

<b>Members</b>	<b>Status of Directorship</b>	<b>Date of Appointment</b>	<b>Attendance of Meetings</b>
Tan Chee Hau (Chairman)	Independent Non-Executive	23 February 2022	4/4
Andy Liew Hock Sim	Independent 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 Non-Executive	30 September 2022	3/4

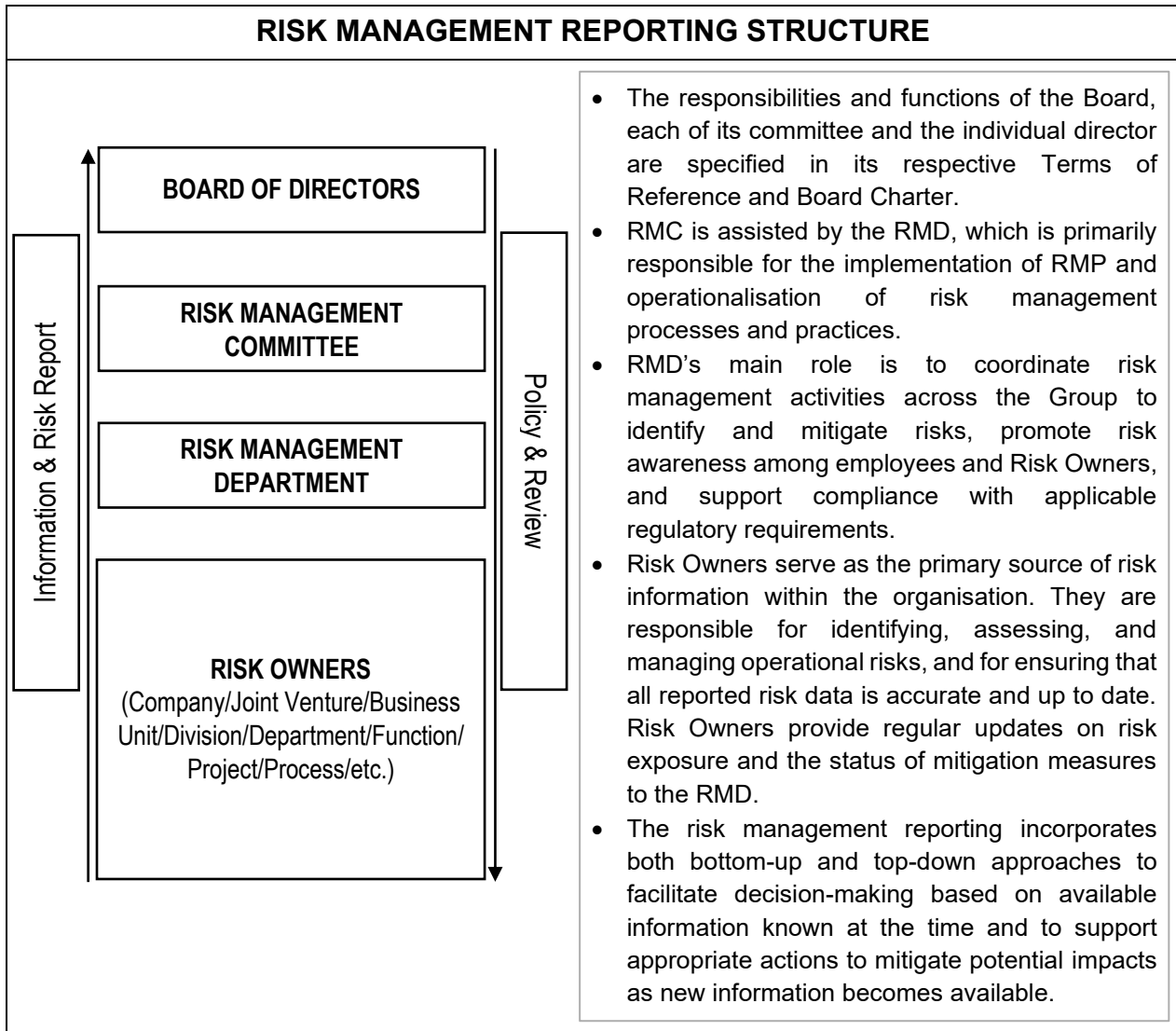
The RMC undertakes the following responsibilities:

- (a) Review and recommend risk management policies and procedures for the Board's approval;
- (b) Oversee the identification, assessment and monitoring of the Group's principal risks;
- (c) Review the risk profiles, mitigation strategies, action plans and key risk indicators to ensure risks are effectively managed;
- (d) Assess the adequacy and effectiveness of the Group's risk management framework and processes;
- (e) Monitor the implementation of risk mitigation measures and follow up on key action plans; and
- (f) Ensure that Board receives adequate and timely information on risk matters to facilitate effective decision making.

During FY2025, the RMC convened four (4) times to assess and monitor the key business risk identified, review the risk mitigation strategies and report its observations and recommendations to the Board.

## Risk Management Reporting Structure

The Group’s risk management reporting structure establishes clear lines of accountability and escalation from Risk Owners at operating level, through the Risk Management Department (“RMD”), to the RMC and up to the Board, as illustrated below:



## Risk Management Policy

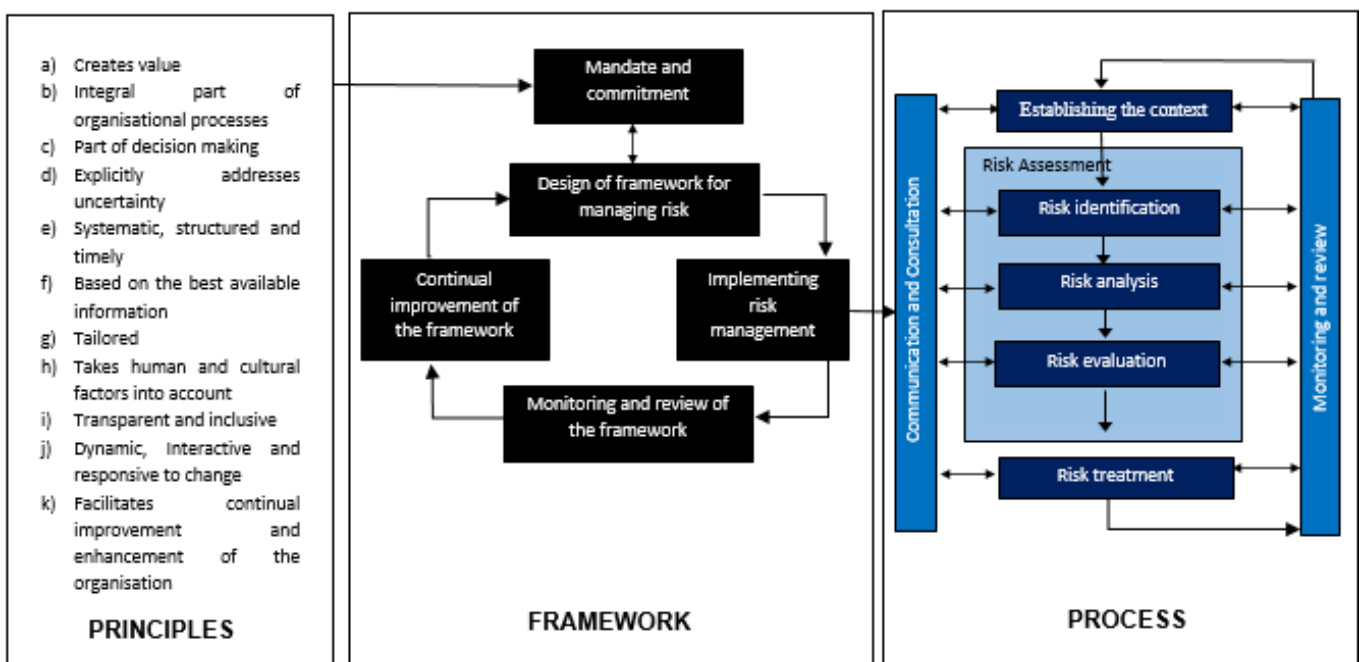
The RMP provides the foundation and organisational arrangement for managing risk across the Group. It illustrates how risk management is embedded in the organisational systems and integrated at all levels and work contexts, making risk consideration part of day-to-day decision-making and business practices.

The RMP include scope and objectives, emphasis 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.

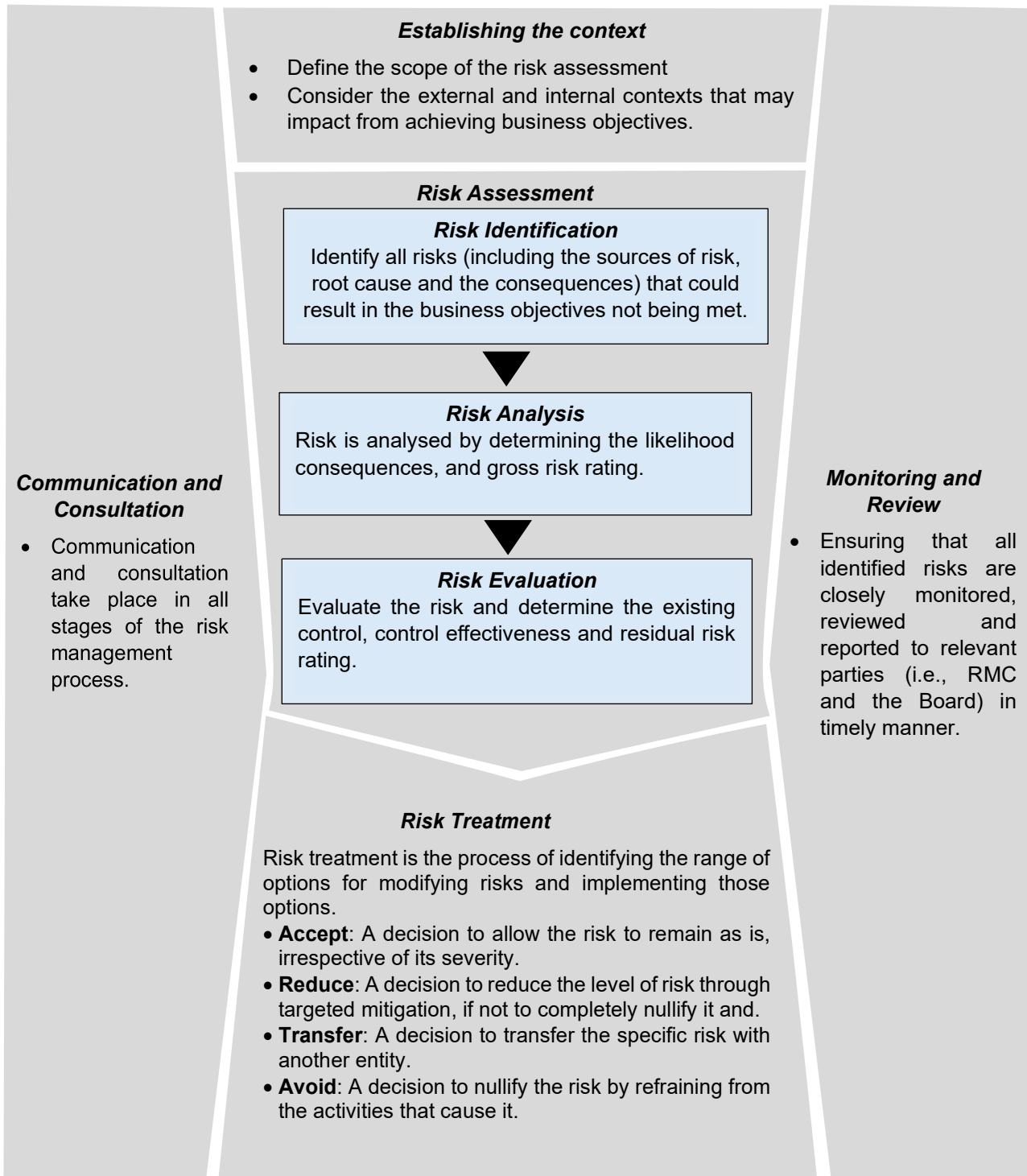
The RMP aims to:

- (a) Establish common risk language, modus operandi and direction with regard to risk management;
- (b) Convey the Group policy and attitude toward risk management;
- (c) Set the policy, methodology, scope and application of risk management;
- (d) Detail the process for escalating and reporting risks;
- (e) Establish the roles and responsibilities for managing risk;
- (f) Facilitate open communication between management and the Board with respect to risk; encourage proactive decision making; and
- (g) 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 to enhance standardisation of risk identification, assessment and governance of risks across the Group.
- (b) Conducted assessment of business momentum relative to competition and Group’s competitive position across key market segments comprising geographies, industries, and service lines.
- (c) Identified risk and implemented mitigation action plans as part of continuous efforts to inculcate proactive risk-aware culture within the Group.
- (d) Prepared and presented Risk Management Reports to the RMC and the Board on a quarterly basis for deliberation and approval. The four (4) RMC meetings were carried out on 6 March, 21 May, 26 August and 25 November 2025.
- (e) Reviewed and monitored implementation of risk mitigation action plans by the RMD and Risk Owners; and
- (f) Provided risk management consultation and advisory support for projects, investments, and potential business initiatives.

## Risk Management Highlights for the Year

During FY2025, the key practices undertaken by the Group in respect of mitigating risks affecting the Group focused primarily on strengthening the effectiveness of the risk management framework and internal controls to support the Group’s business position and differentiation in market segments. The Group further strengthened its anti-corruption and governance framework through the development of its Organisational Anti-Corruption Plan (“OACP”) and the enhancement of standard operating procedures across the Group. The Group also reviewed its Anti-Corruption & Bribery Policy to ensure alignment with regulatory requirements and operational practices.

## KEY ELEMENTS OF INTERNAL CONTROL

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

<p>Organisational Structure and Reporting Lines</p>	<ul style="list-style-type: none"> <li>• There is a clear organisational structure with defined reporting lines within the Group with each division 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 is responsible for its conduct and performance, including the identification and evaluation of significant risks applicable to its respective business areas, the design and implementation of appropriate internal control.</li> <li>• Code endorsed by the Board and communicated to all employees in the Group to ensure high standards of conduct and ethical values expected</li> </ul>
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	<p>in all business practices. This Code serves as a guide for employees in carrying out their duties in a manner that is efficient, effective and fair.</p> <ul style="list-style-type: none"> <li>• The Board is supported by a qualified Company Secretary. The Company Secretary plays an advisory role to the Board, particularly on issues 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 in place for each area of business which is approved at both the operating level and by the Board.</li> <li>• Consolidated quarterly management accounts and performance forecasts which allow Management to identify and address key areas of concern.</li> <li>• Limit of Authorities, that outline the approval thresholds and delegated authorities, are reviewed and updated periodically.</li> <li>• Periodic financial performance reviews are conducted by Management to monitor cash flow positions and key financial indicators to facilitate timely decision-making and appropriate actions where necessary.</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 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>
Anti-Corruption, Integrity and Governance	<ul style="list-style-type: none"> <li>• The Integrity and Governance Unit (“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 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.</li> <li>• The Group’s continuous integrity strengthening programme comprises structured initiatives designed to reinforce the control environment by promoting integrity, ethical conduct, and anti-corruption awareness among employees and external stakeholders. These initiatives support the effectiveness of internal controls by embedding ethical values into day-to-day operations, enhancing awareness of policies and procedures, mitigating corruption and misconduct risks, and fostering a culture of accountability and compliance across the Group.</li> <li>• The establishment of standard operating procedures for every business unit/department 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</li> </ul>

	<p>problems and overcoming obstacles. In addition to ongoing training aimed at improving employees' compliance with the Group's policies, SOP and guidelines, the IGU has played a key role in overseeing and monitoring the development of new procedures and the enhancement of existing ones.</p> <ul style="list-style-type: none"> <li>• The Group maintains an Anti-Corruption &amp; Bribery Policy that is reviewed periodically to ensure alignment with regulatory requirements and operational practices. The policy, which outlines the Group's stance against corruption and provides guidance on ethical conduct and compliance, is published on the official website and accessible to employees, vendors, business partners, and other stakeholders.</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> </ul>
Risk Management	<ul style="list-style-type: none"> <li>• The RMC is chaired by the Independent Non-Executive director to review and recommend the risk management policies, strategies, major risks review and risk mitigation actions for the Group as well as reporting to the Board.</li> <li>• The Group has established a formal 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>
Digital Information & Technology	<ul style="list-style-type: none"> <li>• The Digital Information and Technology Department conducts monthly cybersecurity awareness campaigns via electronic bulletins to all employees. This serves as a proactive control to mitigate risks related to data security, phishing, and digital integrity.</li> <li>• This awareness initiative aims to cultivate a security-conscious culture among employees by strengthening their understanding of responsible technology usage and the importance of safeguarding organisational information and digital assets, while minimising potential risks that may arise from human error, cyber threats, or improper handling of IT resources.</li> </ul>
Safety & Sustainability	<ul style="list-style-type: none"> <li>• The Safety and Sustainability Department carries out monthly occupational safety and health awareness initiatives to ensure employees remain competent in workplace safety standards, effectively minimising operational hazards and ensuring a secure working environment.</li> </ul>
Human Capital Development	<ul style="list-style-type: none"> <li>• The Human Capital Development function supports the development of a competent workforce, including building a pipeline of talent for leadership and critical roles within the Group.</li> <li>• On-the-job and off-the-job training programmes are provided to employees to enhance their understanding of applicable policies, standard operating procedures and guidelines, and to ensure that they are competent in carrying out their duties and responsibilities.</li> <li>• Training and development initiatives, including in-house and external programmes, as well as leadership development, are implemented to enhance employees' skills, competencies and knowledge, and to strengthen managerial capabilities in coaching, talent development and retention.</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 Group's system of risk management and internal control is adequate and effective to manage the Group's risks within the context of its business environment.

The Board has received assurance from the GCEO that the Group's risk management and internal controls system are adequate, operating effectively based on the risk management framework and internal controls system adopted by the Group.

In addition, the Audit Committee has reviewed findings and recommendations for improvement presented by both the internal and external auditors on the effectiveness of the internal controls system and has reported its observations to the Board. As part of the ongoing control improvement process, the Management has taken, and will continue to take, appropriate actions to address the control recommendations and to further strengthen the Group's control environment.

No material losses, contingencies or uncertainties have arisen from any inadequacy or failure of the Group's system of internal control during FY2025 that would require disclosure in this Annual Report.

This statement is made in accordance with a resolution of the Board dated 30 April 2026.

## **AUDIT COMMITTEE REPORT**

Pursuant to Paragraph 15.15 of the Listing Requirements of Bursa Securities, the Board is pleased to present the Audit Committee Report for FY2025.

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

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

### **MEMBERS AND MEETINGS**

The Audit Committee comprises three (3) Independent Non-Executive directors.

The terms of reference of the Audit Committee requires it to meet at least four (4) times a year. Additional meetings may be convened 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 a meeting, as appropriate.

A total of six (6) meetings were held on 27 February 2025, 6 March 2025, 25 April 2025, 21 May 2025, 26 August 2025, and 25 November 2025 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 out below:

<b>Name</b>	<b>Status of Directorship</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>	<b>Attendance of Meetings</b>
Andy Liew Hock Sim (Chairman)	Independent Non-Executive	6 August 2020	-	6/6
Datuk Seri Dr. Hj. Hasim bin Hasan	Independent Non-Executive	30 September 2022	-	5/6
Tan Chee Hau	Independent Non-Executive	30 September 2022	-	6/6

The meetings were properly convened with notices, agenda and meeting papers circulated in advance to ensure effective deliberation.

The Chairman of the Audit Committee reports to the Board on key matters deliberated during the Audit Committee's meetings, including any significant issues raised by the external auditors and internal auditors.

## **ACTIVITIES DURING THE FINANCIAL YEAR**

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

### **Financial Reporting**

In discharging its oversight responsibilities over the financial reporting process for the financial year under review, the Audit Committee reviewed and assessed the financial results and, where appropriate, obtained assurance from the Management. The key activities are as follows:

1. 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 them for approval by the Board;
2. 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
3. Reviewed the annual audited financial statements prepared by Management, together with the external audit report thereon as presented by the external auditors, and deliberated with Management on the following areas prior to recommending the same to the Board for approval:
  - Appropriate accounting policies that have been adopted and applied consistently;
  - Key audit matters and significant issues arising during the audit and their subsequent resolution; and
  - External auditors' management letter and Management's response thereto.

The Audit Committee also reviewed the Group's financial position and liquidity, including matters relating to the Proposed Regularisation Plan.

### **External Audit**

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

1. Reviewed the audit plan for the financial year ended 31 December 2025, 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;
2. Reviewed the resource capacity and effectiveness as well as the suitability, objectivity, and independence of the external auditors; and
3. Reviewed the results of the annual audit, including significant audit findings, accounting issues, and other matters arising.

The Audit Committee also evaluated the nature and extent of non-audit services provided and was satisfied that such services did not impair the independence of the external auditors.

The amount of audit fees and non-audit fees payable to Crowe for the financial year ended 31 December 2025, are as follows:

	<b>Audit fees (RM)</b>	<b>Non-Audit fees (RM)</b>
Company	180,000	230,500
Group	584,200	230,500

\*The non-audit fees included assurance services rendered for the quarterly review, annual review of the Statement on Risk Management and Internal Control and report on the compilation of pro forma consolidated statement of financial position for inclusion in the Proposed Regularisation Plan's circular.

### **Internal Audit**

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

1. Reviewed and recommended the annual internal audit plan for 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;
2. Reviewed and deliberated internal audit reports, along with corrective actions taken by the Management to address the issues highlighted in the internal audit reports; and
3. Reviewed the adequacy of the internal audit function and resources allocated to the internal auditors.

### **Related Party Transactions**

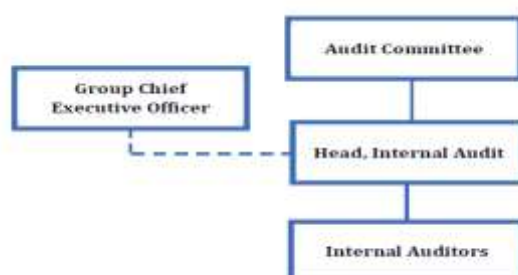
During the financial year, the Audit Committee has reviewed the related party transactions entered into by the Company and the Group, including the adequacy of disclosure and compliance with applicable laws and regulations, as well as the procedures for monitoring related party transactions.

### **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.

The main role of the internal audit function is to review the adequacy and effectiveness of the Group's internal control system, which is carried out with independence, objectivity, and due professional care. In determining the priorities for internal audit activities, the internal auditors adopt a risk-based approach, with the annual audit plan reviewed periodically to reflect changes in the Group's risk exposure and operating environment.

The Head of Internal Audit 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, was reviewed and recommended by the Audit Committee and subsequently approved by the Board, taking into consideration the results of previous audits from both external and internal auditors, 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, including reviews of the Group's operating units and subsidiaries. The internal auditors followed up to ensure that recommendations to improve internal controls were implemented by Management. These initiatives, together with Management's adoption of the external audit's recommendations for the improvement of internal control identified during their annual audit, provide reasonable assurance on the adequacy and effectiveness of the Group's internal control procedures.

## **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, programmes, 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, while administratively, it reports to the GCEO. The structure of IGU is as follows:



In FY2025, the IGU maintained proactive oversight of the Company's integrity and governance framework and remained vigilant in monitoring compliance with established policies, ensuring that processes for complaint management, detection and verification remain effective. These efforts reinforce the Company's commitment to fostering a strong culture of transparency, ethical conduct, and sound governance across its operations.

The Company maintains a confidential whistleblowing channel that enables employees and external stakeholders to report suspected misconduct in good faith without fear of retaliation. The whistleblowing channel covers all elements and type of corruption, thereby supporting the Company's comprehensive anti-corruption coverage.

Information on whistleblowing channel and reporting procedures has been communicated to all employees through the Company's website and internal IGU bulletins.

Further details on the IGU's internal control, risk management and governance initiatives are set out in the Statement on Risk Management and Internal Control of this Annual Report.

## **ADDITIONAL COMPLIANCE INFORMATION**

### **RECURRENT RELATED PARTY TRANSACTIONS (“RRPT”) OF REVENUE NATURE**

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

<b>Type of RRPT</b>	<b>Name of related party</b>	<b>Relations with the Company</b>	<b>Actual value 01/01/2025 – 31/12/2025 (RM)</b>
Operation and maintenance contract provided by Lumut Maritime Terminal Sdn Bhd (“LMTSB”)	Lekir Bulk Terminal Sdn Bhd (“LBTSB”)	See Note 1	52,050,000
Rental of office premises from PCB Taipan Sdn Bhd (“PCBTSB”)	Perbadanan Kemajuan Negeri Perak (“PKNPK”)	Ultimate holding corporation	1,844,000

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 LBTSB.

### **UTILISATION OF PROCEEDS**

No proceeds were raised by the Company from any corporate exercise during the financial year that ended on 31 December 2025.

### **MATERIAL CONTRACTS**

Save as disclosed in Note 33 to the financial statements for the FY2025, 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:

- (i) On 8 January 2024, Perak Corp has entered into a Joint Venture Agreement with PKNPK to establish a synergistic collaboration and to jointly carry out the development of Silver Valley Technology Park 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 dated 31 March 2023. PKNPK is entitled to basic revenue share of RM9.70 per square foot of each industrial plot sold.

- (ii) On 8 March 2024, Perak Corp 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 Joint Development Agreement in furtherance to the development initiatives set out in the Master Development Agreement dated 31 March 2023.
- (iii) In tandem with the execution of the JDA, Perak Corp 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.
- (iv) 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.
- (v) On 13 February 2025, the Company and PKNPk 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

## DISCLOSURE OF FINANCIAL DATA FOR SHARIAH SCREENING

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

### (a) Group Total Income and Total Assets

	Group	
	2025 (RM'000)	2024 (RM'000)
<b>Total Income</b>		
Revenue	165,645	153,884
Other income	4,700	4,239
Interest/Finance income	203	462
Dividend income	1	1
<b>Total</b>	<b>170,549</b>	<b>158,586</b>
<b>Total Assets</b>	<b>692,970</b>	<b>590,859</b>

**(b) Business Activities**

Shariah Non-Compliant Activities	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Dividend income received from conventional instruments		1	1
Interest income		52	60
Other income	Fair value gain on financial assets measured at fair value through profit or loss	4	4
<b>Total</b>		<b>57</b>	<b>65</b>

**(c) Component of Financial Position****(i) Cash Component**

Islamic Account/ Instruments	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Cash and bank balances (exclude cash in hand)		1,227	1,427
Cash in hand (to be placed under Islamic Account/ Instruments only)		47	38
Deposits with licensed bank	Includes licensed investment banks	10,416	7,208
<b>Total Cash</b>		<b>11,690</b>	<b>8,673</b>

Conventional Account/ Instruments	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
Cash and bank balances (exclude cash in hand)		15,331	23,211
Deposits with licensed bank	Includes licensed investment banks	1,346	1,340
<b>Total Cash</b>		<b>16,667</b>	<b>24,551</b>

(ii) Debt Component

Islamic Financing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
<b>Current</b>			
Bank overdrafts		4,968	4,961
Term loans		1,211	0
<b>Non-Current</b>			
Term loans		132,180	58,498
<b>Total Financing</b>		<b>138,359</b>	<b>63,459</b>

Conventional Borrowing	Remarks	Group	
		2025 (RM'000)	2024 (RM'000)
<b>Current</b>			
Hire purchase payables		246	51
Revolving credit and loans		5,113	5,143
Other interest bearing debt	Redeemable preference shares	44,016	41,292
Other interest bearing debt	Finance lease liabilities	513	583
<b>Non-Current</b>			
Hire purchase payables		331	74
Revolving credit and loans		14,143	19,143
Other interest bearing debt	Finance lease liabilities	12,483	14,282
<b>Total Financing</b>		<b>76,845</b>	<b>80,568</b>

## ANALYSIS OF SHAREHOLDINGS AS AT 31 MARCH 2026

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	296	16.37	11,998	0.01
100 to 1,000	211	11.67	112,850	0.11
1,001 to 10,000	1,027	56.80	3,456,315	3.46
10,001 to 100,000	223	12.34	7,163,584	7.16
100,001 to 4,999,999	49	2.71	31,624,003	31.63
5,000,000* and above	2	0.11	57,631,250	57.63
	1,808	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	Kenanga Nominees (Tempatan) Sdn Bhd • Rakuten Trade Sdn Bhd for Pui Cheng Wui	4,827,300	4.83
4	Berjaya Equity Nominees (Tempatan) Sdn Bhd • Exempt an for Berjaya Mutal Berhad	4,250,000	4.25
5	KAF Trustee Berhad • KIFB for KAF Seagroatt & Campbell Berhad	3,899,700	3.90
6	Pui Boon Hean	3,846,000	3.85
7	Alliancegroup Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Lai Cheng Kuan (8058893)	2,500,000	2.50
8	Berjaya Equity Nominees (Tempatan) Sdn Bhd • Berjaya IPS Credits Sdn Bhd for Mohamad Norza bin Zakaria	1,346,000	1.35
9	Kenanga Nominees (Asing) Sdn Bhd • Cantal Capital Inc.	1,000,000	1.00
10	Perbadanan Kemajuan Negeri Perak	765,003	0.76
11	Fabulous Channel Sdn Bhd	710,000	0.71
12	Public Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Tam Seng @ Tam Seng Sen (E-PTS)	500,000	0.50
13	Tharumanathan a/l S. Eliathamby	463,000	0.46
14	Public Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Law Yoong Kent (E-TMM)	420,500	0.42
15	Cherry Blossom Sdn Bhd	367,150	0.37
16	KAF Trustee Berhad • KIFB for Yayasan Istana Abdul Aziz	360,000	0.36
17	KAF Trustee Berhad • KIFB for DYMM Tuanku Bainun Mohd Ali	351,000	0.35
18	Vasan a/l P. Sinnadurai	338,200	0.34
19	Kenanga Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Chin Kiam Hsung	319,700	0.32
20	Ng Poh Cheng	302,200	0.30
21	Law Yoong Kent	279,000	0.28
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	Leong Sook Ling	249,000	0.25
26	Fast Continent Sdn Bhd	247,500	0.25
27	UOB Kay Hian Nominees (Asing) Sdn Bhd • Exempt an for UOB Kay Hian Pte Ltd (A/C Clients)	230,350	0.23
28	RHB Nominees (Tempatan) Sdn Bhd • Pledged Securities Account for Chin Kiam Hsung	230,000	0.23
29	Citigroup Nominees (Asing) Sdn Bhd • Exempt an for UBS AG Singapore (Foreign)	200,000	0.20
30	Sim Wee Yong	189,600	0.19
		<u>86,582,453</u>	<u>86.60</u>

**LIST OF MATERIAL PROPERTIES  
AS AT 31 DECEMBER 2025**

<b>Locations</b>	<b>Approximate Land Area (acres)</b>	<b>Tenure</b>	<b>Descriptions</b>	<b>Date of Acquisitions/ Net Book Value/ Approx. Age (Building)</b>
PT 16661, 16662, 16838 & 16839, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	125.88	Leasehold (99 years) expiring year 2114	Port and Waterbody	31.05.2017 RM111,103,675
Lot PT 6973, PT 2273, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	100.01	Leasehold (99 years) expiring year 2094	Wharf, Warehouse & office complex building	10.04.1997 RM74,176,781 28 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 RM56,620,000 12 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 RM14,430,032
PT 10445 and PT10447, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	13.30	Leasehold (99 years) expiring year 2105	Open Stockyard	31.01.2017 RM11,369,911
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

<b>Locations</b>	<b>Approximate Land Area (acres)</b>	<b>Tenure</b>	<b>Descriptions</b>	<b>Date of Acquisitions/ Net Book Value/ Approx. Age (Building)</b>
Lot 516687, GRN 151067 Negeri Perak, Mukim Ulu Kinta, District Of Kinta, Perak Darul Ridzuan.	11.38	Freehold	Mixed Development	31.01.2004 RM3,674,241
Lot 516682, GRN 178753 Negeri Perak, Mukim Ulu Kinta, District Of Kinta, Perak Darul Ridzuan.	10.00	Freehold	Residential	31.01.2004 RM3,229,818
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 RM2,451,996
PT 6972/ Lot 11063, Mukim Lumut, Daerah Manjung, Perak Darul Ridzuan.	1.65	Leasehold (99 years) expiring year 2094	Open Stockyard	17.04.2013 RM2,180,595

## **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 Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Directors are responsible for ensuring that the financial statements give a true and fair view of the financial position of the Group and of the Company at the end of the financial year, and of their financial performance and cash flows for the financial year.

In preparing the financial statements, the Directors have:

- complied with the applicable Malaysian Financial Reporting Standards in Malaysia;
- adopted appropriate accounting policies and applied them consistently; and
- made judgements and estimates that are prudent and reasonable

The Directors are responsible for ensuring that the Group and the Company keep accounting records that disclose with reasonable accuracy the financial position of the Group and of the Company and enable them to ensure that the financial statements comply with the Listing Requirements, Malaysian Financial Reporting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company and to prevent and detect fraud and 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 2025**

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

REPORTS AND STATUTORY FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

INDEX

	PAGES
DIRECTORS' REPORT	1 - 7
STATEMENT BY DIRECTORS	8
STATUTORY DECLARATION	8
INDEPENDENT AUDITORS' REPORT	9 - 17
FINANCIAL STATEMENTS	
STATEMENTS OF COMPREHENSIVE INCOME	18
STATEMENTS OF FINANCIAL POSITION	19
STATEMENTS OF CHANGES IN EQUITY	20 - 21
STATEMENTS OF CASH FLOWS	22 - 25
NOTES TO THE FINANCIAL STATEMENTS	26 - 116

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

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

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 2025.

### 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

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

DIRECTORS' REPORT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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

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

Directors of Rungkup Port Sdn. Bhd.

Datuk Redza Rafiq Bin Abdul Razak  
Rosmin Bin Mohamed

Directors of LMT Capital Sdn. Bhd.

Datuk Redza Rafiq Bin Abdul Razak  
Abdul Halim Bin Abdullah Shukor  
Tn Hj Zainal Abidin Shah Bin Mahamood @ Yahya

(Appointed on 10 July 2025)  
(Resigned on 10 July 2025)

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

Rosmin Bin Mohamed  
Mukhriz Bin Che Murad

Directors of PCB Land 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 2025 (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 2025	<u>15,830</u>	<u>(11,250)</u>
Attributable to:		
Owners of the Company	1,023	(11,250)
Non-controlling interests	<u>14,807</u>	<u>0</u>
	<u>15,830</u>	<u>(11,250)</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 2025.

### 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.

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

## DIRECTORS' REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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	1,137	438
Salaries, bonuses and other benefits	702	158
	<u>1,839</u>	<u>596</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 2025 amounted to approximately RM27,432.

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 2025 amounted to approximately RM54,166. 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 2025 (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 making of allowance for doubtful debts and satisfied themselves 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 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 2025 (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 2025 (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	584	180
Non-audit fees	<u>231</u>	<u>231</u>
	<u>815</u>	<u>411</u>

This report was approved by the Board of Directors on 30 April 2026. 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 116 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 2025 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, IFRS Accounting 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 2026.

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 116 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 2026.

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 of the Group and of the Company as at 31 December 2025, 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 116.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, IFRS Accounting 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"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### **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.

**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</b>	
<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>	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<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 2025, the total loans and borrowings of the Group and of the Company amounted to RM215.2 million (2024: RM144.0 million) and RM46.1 million (2024: RM44.4 million) respectively, constituted about 52.1% and 15.8% 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, RM56.1 million (2024: RM52.0 million) and RM45.0 million (2024: RM42.3 million) are due repayable on demand or within 1 year respectively.</p> <p>As at 31 December 2025, the Group's and the Company's current liabilities exceeded their current assets by RM53.1 million (2024: RM40.2 million) and RM198.8 million (2024: RM187.5 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>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.</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>	
<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>	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>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 2025. 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 application in relation to the Proposed Regularisation Plan has been submitted to Bursa Malaysia on 9 May 2025 and subsequently approved by Bursa Malaysia on 19 January 2026. Shareholders' approval was obtained at the Extraordinary General Meeting held on 27 February 2026.</p> <p>Notwithstanding the approvals obtained, the Group's ability to settle the loans and borrowings remains dependent on the successful and timely 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>	
<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>	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>As at 31 December 2025, the carrying amounts of non-financial assets are as follows:</p> <ul style="list-style-type: none"> <li>- property, plant and equipment: RM73.8 million;</li> <li>- right-of-use assets: RM86.8 million;</li> <li>- port facilities: RM306.5 million;</li> <li>- investment properties: RM6.5 million; and</li> <li>- intangible assets: RM24.3 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 2025, the carrying amounts of property development costs of the Group and of the Company included as part of inventories amounted to RM110.9 million and RM92.2 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>	
<b>(Refer to Note 20 - Receivables, deposits and prepayments, Note 24 - Payables and accrued liabilities and Note 32 - Financial guarantee contracts)</b>	
<b>Key Audit Matter</b>	<b>How Our Audit Addressed the Key Audit Matter</b>
<p>As at 31 December 2025, third party trade receivables, other receivables and other related parties of the Group and of the Company amounted to approximately RM33.0 million and RM0.02 million respectively.</p> <p>As at 31 December 2025, the values of corporate guarantees issued to associated companies and subsidiaries amounted to approximately RM23.8 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 2025.</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, IFRS Accounting 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

30 April 2026

**Chan Kuan Chee**  
02271/10/2027 J  
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	GROUP		COMPANY	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
REVENUE	4	165,645	153,884	0	0
COST OF SALES		(73,320)	(69,798)	0	0
GROSS PROFIT		92,325	84,086	0	0
Administrative expenses		(65,560)	(60,784)	(14,977)	(13,048)
Other income		4,904	4,702	7	10
Other expenses		(29)	(9)	0	0
Net gain on disposal of a deemed acquired subsidiary	26	0	1,793	0	0
Reversal of impairment losses/(Net impairment losses) on:					
- receivables		542	1,767	(1,559)	(4,426)
- financial guarantee contracts		3,128	1,891	8,158	6,034
OPERATING PROFIT/(LOSS)	5	35,310	33,446	(8,371)	(11,430)
Finance costs	8	(5,769)	(5,786)	(2,879)	(2,413)
PROFIT/(LOSS) BEFORE TAX		29,541	27,660	(11,250)	(13,843)
Tax expense	9	(13,711)	(10,868)	0	0
NET PROFIT/(LOSS) FOR THE FINANCIAL YEAR		15,830	16,792	(11,250)	(13,843)
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR, NET OF TAX		0	0	0	0
TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR		15,830	16,792	(11,250)	(13,843)
NET PROFIT/(LOSS)/TOTAL COMPREHENSIVE INCOME/ (EXPENSES) FOR THE FINANCIAL YEAR ATTRIBUTABLE TO:					
Owners of the Company		1,023	2,786	(11,250)	(13,843)
Non-controlling interests		14,807	14,006	0	0
		15,830	16,792	(11,250)	(13,843)
Profit per share attributable to equity holders of the parent (sen)					
Basic/Diluted	10	1.02	2.79		

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 2025

	Note	GROUP		COMPANY	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>					
Property, plant and equipment	11	73,805	73,549	69	45
Right-of-use assets	12	86,843	87,826	1,886	2,828
Port facilities	13	306,463	213,151	0	0
Investment properties	14	6,457	6,740	0	0
Investments in subsidiaries	15	0	0	98,099	98,099
Other investments	17	25	25	0	0
Intangible assets	18	24,324	24,212	0	0
Inventories	19	10,428	10,428	0	0
		<u>508,345</u>	<u>415,931</u>	<u>100,054</u>	<u>100,972</u>
<b>CURRENT ASSETS</b>					
Inventories	19	114,225	105,977	92,236	83,253
Receivables, deposits and prepayments	20	41,222	33,525	508	458
Current tax assets		677	2,073	14	143
Other investments	17	134	129	48	46
Deposits, cash and bank balances	21	28,367	33,224	52	22
		<u>184,625</u>	<u>174,928</u>	<u>92,858</u>	<u>83,922</u>
<b>TOTAL ASSETS</b>		<u><u>692,970</u></u>	<u><u>590,859</u></u>	<u><u>192,912</u></u>	<u><u>184,894</u></u>
<b>EQUITY</b>					
Share capital	22	272,770	272,770	272,770	272,770
Accumulated losses		(173,894)	(174,917)	(372,633)	(361,383)
Equity attributable to owners of the Company		98,876	97,853	(99,863)	(88,613)
Non-controlling interests		180,925	171,118	0	0
<b>TOTAL EQUITY</b>		<u>279,801</u>	<u>268,971</u>	<u>(99,863)</u>	<u>(88,613)</u>
<b>LIABILITIES</b>					
<b>NON-CURRENT LIABILITIES</b>					
Loans and borrowings	23	159,137	91,997	1,086	2,110
Deferred tax liabilities	25	16,297	14,760	7	7
		<u>175,434</u>	<u>106,757</u>	<u>1,093</u>	<u>2,117</u>
<b>CURRENT LIABILITIES</b>					
Loans and borrowings	23	56,067	52,030	45,040	42,258
Payables and accrued liabilities	24	179,279	161,204	246,642	229,132
Current tax liabilities		2,389	1,897	0	0
		<u>237,735</u>	<u>215,131</u>	<u>291,682</u>	<u>271,390</u>
<b>TOTAL LIABILITIES</b>		<u>413,169</u>	<u>321,888</u>	<u>292,775</u>	<u>273,507</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>692,970</u></u>	<u><u>590,859</u></u>	<u><u>192,912</u></u>	<u><u>184,894</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 2025

	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	<u>Total equity</u> RM'000
<u>GROUP</u>					
At 1.1.2025	272,770	(174,917)	97,853	171,118	268,971
<u>Total comprehensive income for the financial year</u>					
Net profit for the financial year	0	1,023	1,023	14,807	15,830
<u>Total transactions with owners, recognised directly in equity</u>					
Dividends paid by a subsidiary to non-controlling interests	0	0	0	(5,000)	(5,000)
At 31.12.2025	<u>272,770</u>	<u>(173,894)</u>	<u>98,876</u>	<u>180,925</u>	<u>279,801</u>
At 1.1.2024	272,770	(177,703)	95,067	162,112	257,179
<u>Total comprehensive income for the financial year</u>					
Net profit for the financial year	0	2,786	2,786	14,006	16,792
<u>Total transactions with owners, recognised directly in equity</u>					
Dividends paid by a subsidiary to non-controlling interests	0	0	0	(5,000)	(5,000)
At 31.12.2024	<u>272,770</u>	<u>(174,917)</u>	<u>97,853</u>	<u>171,118</u>	<u>268,971</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 2025 (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 1.1.2025	272,770	(361,383)	(88,613)
<u>Total comprehensive expenses for the financial year</u>			
Net loss for the financial year	0	(11,250)	(11,250)
At 31.12.2025	<u>272,770</u>	<u>(372,633)</u>	<u>(99,863)</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>

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 2025

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
<b>OPERATING CASH FLOWS</b>				
Net profit/(loss) for the financial year	15,830	16,792	(11,250)	(13,843)
Adjustments for:				
Amortisation of computer software	204	356	0	0
Depreciation				
- investment properties	283	282	0	0
- port facilities	7,892	7,049	0	0
- property, plant and equipment	3,426	3,799	16	17
- right-of-use assets	1,105	1,105	942	943
Deposits written off	4	0	0	0
Inventories written off	1	0	0	0
Port facilities written off	19	0	0	0
Property, plant and equipment written off	6	0	0	0
Impairment losses				
- property, plant and equipment	0	9	0	0
- amount due from ultimate holding corporation	977	1,523	0	0
- amount due from subsidiaries	0	0	1,914	4,856
- amount due from fellow subsidiaries	11	12	0	0
- other receivables	0	150	0	0
- trade receivables	93	320	0	0
Operating cash flows carried forward	<u>29,851</u>	<u>31,397</u>	<u>(8,378)</u>	<u>(8,027)</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 2025 (CONTINUED)

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
OPERATING CASH FLOWS (CONTINUED)				
Operating cash flows brought forward	29,851	31,397	(8,378)	(8,027)
Adjustments for:				
Dividend income	(1)	(1)	0	0
Fair value gain on financial assets measured at fair value at profit or loss				
- other investment	(5)	(3)	(2)	(1)
Net gain on disposal of a deemed acquired subsidiary	0	(1,793)	0	0
Gain on disposal of property, plant and equipment	(172)	0	0	0
Gain on lease termination	(1,335)	0	0	0
Interest income	(203)	(462)	(5)	(9)
Reversal of allowance for impairment losses:				
- property, plant and equipment	(584)	(933)	0	0
- right-of-use assets	(122)	(160)	0	0
- amount due from ultimate holding corporation	(1,439)	(2,811)	0	0
- amount due from a subsidiary	0	0	(355)	0
- amount due from a former subsidiaries	0	(198)	0	(198)
- amount due from fellow subsidiaries	0	(415)	0	(232)
- amount due from an associate	(10)	0	0	0
- trade receivables	(174)	(148)	0	0
- other receivables	0	(200)	0	0
- financial guarantee contracts	(3,128)	(1,891)	(8,158)	(6,034)
Reversal of inventories previously written down	(6)	(1,192)	0	0
Waiver of debt	(360)	0	0	0
Waiver of penalty	(190)	0	0	0
Finance costs	5,769	5,786	2,879	2,413
Tax expense	13,711	10,868	0	0
	<u>41,602</u>	<u>37,844</u>	<u>(14,019)</u>	<u>(12,088)</u>
Changes in working capital:				
Inventories	(8,243)	(8,972)	(8,983)	(7,731)
Receivables	(5,189)	5,793	(50)	(90)
Related parties	(2,143)	2,870	0	0
Payables	20,832	21,117	22,618	22,218
	<u>5,257</u>	<u>20,808</u>	<u>13,585</u>	<u>14,397</u>
Cash flows generated from/(for) operation	46,859	58,652	(434)	2,309
Tax paid/(tax refund)	(10,286)	(12,333)	129	(14)
Net operating cash flow carried forward	<u>36,573</u>	<u>46,319</u>	<u>(305)</u>	<u>2,295</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 2025 (CONTINUED)

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Net operating cash flow carried forward	36,573	46,319	(305)	2,295
<b>INVESTING CASH FLOWS</b>				
Purchase of property, plant and equipment	(2,087)	(2,568)	(40)	(11)
Purchase of port facilities	(97,594)	(68,880)	0	0
Purchase of computer software	(214)	(135)	0	0
Proceeds from disposals of property, plant and equipment	302	0	0	0
Repayment from/(Advances) to related parties	173	6,693	(1,559)	(4,426)
Dividend income received	1	1	0	0
Interest received	203	462	5	9
Net cash outflow on disposal of a deemed acquired subsidiary	0	(461)	0	0
Net investing cash flow	(99,216)	(64,888)	(1,594)	(4,428)
<b>FINANCING CASH FLOWS</b>				
Dividends paid to non-controlling interests	(5,000)	(5,000)	0	0
(Placement)/Withdrawal of deposits with licensed banks with maturity of more than 3 months	(176)	14,035	0	0
Placement of pledged deposits with licensed banks	(3,037)	(6)	0	0
Drawdown of business financing-i and cash line-i	247	0	0	0
Repayment of hire purchase payables	(144)	0	0	0
Net drawdown of term financing	70,417	26,045	0	0
Repayment of revolving credits	(5,000)	(5,000)	0	0
Interest paid	(2,895)	(2,906)	0	(209)
Advances from/(Repayment to) related parties	154	(2,542)	1,929	2,222
Net financing cash flow	54,566	24,626	1,929	2,013
Net change in cash and cash equivalents	(8,077)	6,057	30	(120)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	20,715	14,658	16	136
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR (Note 21)	12,638	20,715	46	16

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 2025 (CONTINUED)

Changes in liabilities arising from financing activities

	<u>As at</u> <u>1 January</u> RM'000	<u>Proceeds</u> <u>from</u> <u>drawdown</u> RM'000	<u>Repayments</u> RM'000	<u>Changes in</u> <u>overdraft</u> RM'000	<u>Non-cash</u> <u>changes</u> RM'000	<u>Interest</u> <u>expense</u> RM'000	<u>Interest</u> <u>paid</u> RM'000	<u>As at 31</u> <u>December</u> RM'000
<u>2025</u>								
GROUP								
Loans and borrowings	144,027	71,264	(5,144)	0	2,183	5,769	(2,895)	215,204
COMPANY								
Loans and borrowings	44,368	0	0	0	(1,121)	2,879	-	46,126
<u>2024</u>								
GROUP								
Loans and borrowings	119,593	26,045	(5,000)	0	213	6,082	(2,906)	144,027
COMPANY								
Loans and borrowings	43,313	0	0	0	(911)	2,175	(209)	44,368

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 2025

### 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

These financial statements comprise both separate and consolidated financial statements. The financial statements of the Company are separate financial statements, while the financial statements of the Group are consolidated financial statements that include those of the Company and its subsidiaries as of the end of the reporting period. The Company and its subsidiaries are collectively referred to as "the Group".

The financial statement of the Company and of the Group are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency and has been rounded to the nearest thousand, unless otherwise stated.

### 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"), IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

### 2 BASIS OF PREPARATION (CONTINUED)

The Group reported profit after tax of RM15.8 million (2024: RM16.8 million) for the financial year ended 31 December 2025 and as at that date, the Group's and the Company's current liabilities exceeded its current assets by RM53.1 million (2024: RM40.2 million) and RM198.8 million (2024: RM187.5 million) respectively. As at 31 December 2025, deposits, cash and bank balances of the Group and the Company totalled RM28.4 million and RM0.05 million respectively and borrowing due repayment over the next 12 months after reporting date totalled RM56.1 million and RM45.0 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 fulfilment.

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 application in relation to the Proposed Regularisation Plan was submitted to Bursa Malaysia on 9 May 2025. Subsequent to the financial year end, Bursa Malaysia has, vide its letter dated 19 January 2026, resolved to approve the Company's Proposed Regularisation Plan. Shareholders' approval was obtained at the Extraordinary General Meeting held on 27 February 2026.

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.

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 2025 (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.

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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, vide 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 the Company 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.

Subsequently, CIMB, at the Company’s request, vide its letter dated 30 September 2025, granted a further extension of time up to 31 March 2026 for the full redemption of RPS-A1, together with cumulative gross preferential dividends at a rate of 8% per annum from 1 October 2025 until the maturity date of RPS-A1. Similarly, AIB, vide its letter dated 4 November 2025, granted an extension of time up to 31 March 2026 for the full redemption of RPS-A2.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

2 BASIS OF PREPARATION (CONTINUED)

Key chronological events (continued)

*Proposed Private Debt Settlements with Financial Institutions (continued)*

The Company intends to utilise proceeds from land monetisation under the Proposed Regularisation Plan to fully redeem both RPS-A1 and RPS-A2. The timing of the receipt of these proceeds is contingent upon the fulfilment of the relevant conditions precedent, including approvals from Bursa Malaysia and shareholders, which were obtained on 19 January 2026 and 27 February 2026, respectively.

In view of the above, the Company had on 6 March 2026 requested for a further extension of time up to 30 June 2026 to facilitate the timing of receipt of the proceeds. CIMB has, vide its letter dated 17 March 2026, approved the said extension.

In respect of AIB, the Company's request for a further extension is under consideration. The Company remains in active engagement with the AIB to align the repayment timeline with the expected receipt of proceeds from the ongoing land monetisation which is progressing towards completion. The RPS-A2 remains in good standing, with no event of default triggered as at the date of this report.

*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.

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

### 2 BASIS OF PREPARATION (CONTINUED)

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

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.

#### *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 application in relation to the Proposed Regularisation Plan was submitted to Bursa Malaysia on 9 May 2025.

Subsequent to the financial year end, Bursa Malaysia has, vide its letter dated 19 January 2026, resolved to approve the Company's Proposed Regularisation Plan. At the Extraordinary General Meeting of the Company held on 27 February 2026, all the resolutions in respect of the Proposed Regularisation Plan were duly passed by the shareholders of the Company.

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

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 2025, the total loans and borrowings of the Group and of the Company amounted to RM215.2 million (2024: RM144.0 million) and RM46.1 million (2024: RM44.4 million) respectively, constituted about 52.1% and 15.8% 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, RM56.1 million (2024: RM52.0 million) and RM45.0 million (2024: RM42.3 million) are due repayable on demand or within 1 year respectively.

The bank and cash position of the Group and of the Company as at 31 December 2025 of RM28.4 million and RM0.05 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. Separately, certain projects contemplated under the Proposed Regularisation Plan, which remain subject to approval by Bursa Malaysia and shareholders as at financial year end, have not been taken into account in this assessment and will be considered independently upon approval.

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 at financial year end, the Proposed Regularisation Plan submitted remains subject to regulatory and shareholders' approval. Pending such approval, material uncertainty exists as to the Group's and the Company's ability to realise their assets and discharge their liabilities 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 as at financial year end. 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 2025 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.*"

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

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. In respect of assets expected to be recovered in the normal course of business, for example, in operating subsidiaries within the hospitality and tourism and ports and logistics segments, such assets are presented as non-current when they are expected to be realised more than twelve months after the reporting period.
- 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 121: Lack of Exchangeability

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.

- 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:-

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

	<b>Effective Date</b>
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
Annual Improvements to MFRS Accounting Standards - Volume 11	1 January 2026
MFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
MFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 19: Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments to MFRS 121: Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

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 potential impact of the new standard on the financial statements of the Group and of the Company has yet to be assessed.

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

(d) Write-down of Inventories

Management periodically reviews damaged, obsolete, and slow-moving inventory. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation inventories.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

*Key Sources of Estimation Uncertainty (Continued)*

(e) Impairment of Trade Receivables

The Group uses the simplified approach to estimate a lifetime expected credit loss allowance for all trade receivables. The Group develops expected credit loss rates based on the payment profiles of past sales and the corresponding historical credit losses, and adjusts them for qualitative and quantitative, reasonable and supportable, forward-looking information, where applicable. If the expectation is different from the estimation, such a difference will impact the carrying value of trade receivables.

(f) 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.

(g) 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.

(h) 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

3 MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

*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.

(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 2025 (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 2025 (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.

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 2025 (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 2025 (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 2025 (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 complete 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 2025 (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 2025 (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 2025 (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 2025 (CONTINUED)

4 REVENUE

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Revenue from contracts with customers:</u>				
Sale of land	1,100	0	0	0
Hotel revenue - rooms and halls	9,285	10,344	0	0
Restaurants, food and beverages	12,124	11,865	0	0
Port services	142,322	129,605	0	0
Management services	459	436	0	0
	<u>165,290</u>	<u>152,250</u>	<u>0</u>	<u>0</u>
<u>Revenue from other sources:</u>				
Rental income - premises	355	1,634	0	0
Total revenue	<u>165,645</u>	<u>153,884</u>	<u>0</u>	<u>0</u>
<u>Timing of revenue recognition:</u>				
Goods sold at a point in time	133,209	119,842	0	0
Services rendered over time	32,436	34,042	0	0
	<u>165,645</u>	<u>153,884</u>	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

5 OPERATING PROFIT/(LOSS)

	GROUP		COMPANY	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	RM'000
Operating profit/(loss) is stated after charging/(crediting):				
Auditors' remuneration paid/payable:				
- Statutory audit	584	624	180	180
- (over)/under provision in the previous financial year	(30)	0	0	0
- Non-audit fees	231	191	231	191
Amortisation of computer software	204	356	0	0
Depreciation:				
- Property, plant and equipment	3,426	3,799	16	17
- Port facilities	7,892	7,049	0	0
- Investment properties	283	282	0	0
- Right-of-use assets	1,105	1,105	942	943
Deposits written off	4	0	0	0
Directors' fees and remuneration (Note 7)	1,839	1,654	596	573
Employee benefits expense (Note 6)	52,124	48,138	9,619	8,615
Impairment losses:				
- Property, plant and equipment	0	9	0	0
Inventories written off	1	0	0	0
Lease expenses for short term leases and low value assets	241	126	4	11
Port facilities written off	19	0	0	0
Property, plant and equipment written off	6	0	0	0

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

5 OPERATING PROFIT/(LOSS) (CONTINUED)

	GROUP		COMPANY	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	RM'000
Operating profit/(loss) is stated after charging/(crediting): (continued)				
Interest income from:				
- Unwinding of interest on significant financing component	(9)	0	0	0
- Fixed deposits	(194)	(462)	(5)	(9)
Dividend income	(1)	(1)	0	0
Gain on disposal of property, plant and equipment	(172)	0	0	0
Gain on foreign exchange (realised)	(16)	(18)	0	0
Gain on lease termination	(1,335)	0	0	0
Fair value gain on financial assets measured at fair value through profit or loss	(5)	(3)	(2)	(1)
Rental income from leasing of buildings	(459)	(165)	0	0
Reversal of impairment loss on property, plant and equipment	(584)	(933)	0	0
Reversal of impairment loss on right-of-use assets	(122)	(160)	0	0
Reversal of inventories previously written down	(6)	(1,192)	0	0
Reversal of impairment loss on financial guarantee contracts	(3,128)	(1,891)	(8,158)	(6,034)
Waiver of debt	(360)	0	0	0
Waiver of penalty	(190)	0	0	0

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

5 OPERATING PROFIT/(LOSS) (CONTINUED)

	GROUP		COMPANY	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	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	93	320	0	0
- Other receivables	0	150	0	0
- Amount due from ultimate holding corporation	977	1,523	0	0
- Amount due from subsidiaries	0	0	1,914	4,856
- Amount due from fellow subsidiaries	11	12	0	0
Reversal of impairment losses:				
- Trade receivables	(174)	(148)	0	0
- Other receivables	0	(200)	0	0
- Amount due from ultimate holding corporation	(1,439)	(2,811)	0	0
- Amount due from subsidiaries	0	0	(355)	(232)
- Amount due from fellow subsidiaries	0	(415)	0	0
- Amount due from a former subsidiary	0	(198)	0	(198)
- Amount due from an associate	(10)	0	0	0

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

6 EMPLOYEE BENEFITS EXPENSE

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Salaries and wages	38,930	36,351	7,427	6,672
Employees Provident Fund contributions	4,472	4,234	1,105	990
Social security contributions and employment insurance systems contributions	517	477	92	83
Other staff related expenses	8,205	7,076	995	870
	<u>52,124</u>	<u>48,138</u>	<u>9,619</u>	<u>8,615</u>

7 DIRECTORS' FEES AND REMUNERATION

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Directors of the Company:				
- salaries and other emoluments	158	137	158	135
- fees	438	438	438	438
	<u>596</u>	<u>575</u>	<u>596</u>	<u>573</u>
Directors of the subsidiaries:				
- salaries and other emoluments	544	512	0	0
- fees	699	567	0	0
	<u>1,243</u>	<u>1,079</u>	<u>0</u>	<u>0</u>
	<u>1,839</u>	<u>1,654</u>	<u>596</u>	<u>573</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 2025 (CONTINUED)

8 FINANCE COSTS

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Interest expenses				
- advances from ultimate holding corporation	0	238	0	238
- hire purchase and finance lease liabilities	294	273	155	209
- revolving credits	1,737	2,432	0	0
- term loans	4,829	979	0	0
- redeemable cumulative preference shares	2,724	1,966	2,724	1,966
- overdraft and other borrowings	398	432	0	0
- others	16	0	0	0
	<u>9,998</u>	<u>6,320</u>	<u>2,879</u>	<u>2,413</u>
Recognised in profit or loss	5,769	5,786	2,879	2,413
Capitalised in qualifying assets				
- property, plant and equipment	600	420	0	0
- port facilities	3,629	114	0	0
	<u>9,998</u>	<u>6,320</u>	<u>2,879</u>	<u>2,413</u>

The average capitalisation rate for borrowing costs of the Group is 5.20% to 6.72% (2024: 5.51% to 6.72%) per annum.

9 TAX EXPENSE

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Current tax expense	12,001	9,693	0	0
Under/(Over)provision of Malaysian income tax in prior year	173	(374)	0	0
	<u>12,174</u>	<u>9,319</u>	<u>0</u>	<u>0</u>
Deferred tax (Note 25):				
Relating to origination and reversal of temporary differences	8	1,549	0	0
Underprovision of deferred tax in prior year	1,529	0	0	0
	<u>1,537</u>	<u>1,549</u>	<u>0</u>	<u>0</u>
Tax expense	<u>13,711</u>	<u>10,868</u>	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Profit/(Loss) before tax	<u>29,541</u>	<u>27,660</u>	<u>(11,250)</u>	<u>(13,843)</u>
Tax calculated at the Malaysian income tax rate of 24% (2024: 24%)	7,090	6,638	(2,700)	(3,322)
Tax effects of:				
- expenses not deductible for tax purposes	4,010	3,306	1,248	902
- income not subject to tax	(3,405)	(3,008)	(1,963)	(1,492)
- deferred tax assets not recognised	3,978	4,559	3,415	3,912
- utilisation of deferred tax assets previously not recognised	336	(253)	0	0
- under/(over)provision of Malaysian income tax in prior year	173	(374)	0	0
- underprovision of deferred tax in prior year	1,529	0	0	0
Tax expense	<u>13,711</u>	<u>10,868</u>	<u>0</u>	<u>0</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% (2024 - 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	
	2025	2024
Net profit for the financial year attributable to owners of the Company (RM'000)	1,023	2,786
Weighted average number of ordinary shares in issue during the financial year ('000)	100,000	100,000
Basic profit per share (sen)	<u>1.02</u>	<u>2.79</u>

No diluted loss per share calculated as the Company does not have potential convertible shares.

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT

	Freehold <u>land</u> RM'000	Buildings and <u>improvements</u> RM'000	Equipment, furniture and fittings and <u>computers</u> RM'000	Motor <u>vehicles</u> RM'000	Refurbishment and <u>renovations</u> RM'000	Capital work-in- <u>progress</u> RM'000	<u>Total</u> RM'000
<b>GROUP</b>							
<b><u>COST</u></b>							
At 1.1.2025	8,305	84,638	47,732	4,623	5,332	19,013	169,643
Additions	0	0	957	1,302	0	1,077	3,336
Disposal	0	0	0	(490)	0	0	(490)
Written off	0	0	(763)	(4)	0	(1)	(768)
Reclassification	0	0	0	0	0	(102)	(102)
At 31.12.2025	8,305	84,638	47,926	5,431	5,332	19,987	171,619
<b><u>ACCUMULATED DEPRECIATION</u></b>							
At 1.1.2025	0	14,156	37,561	3,265	4,927	0	59,909
Depreciation for the financial year	0	1,131	1,599	571	125	0	3,426
Disposal	0	0	0	(360)	0	0	(360)
Written off	0	0	(758)	(4)	0	0	(762)
At 31.12.2025	0	15,287	38,402	3,472	5,052	0	62,213

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	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>GROUP</u>							
<u>ACCUMULATED IMPAIRMENT</u>							
<u>LOSSES</u>							
At 1.1.2025	0	21,692	4,496	0	128	9,869	36,185
Reversal of impairment loss for the financial year	0	(514)	(70)	0	0	0	(584)
At 31.12.2025	0	21,178	4,426	0	128	9,869	35,601
<u>CARRYING AMOUNT</u>							
At 31.12.2025	8,305	48,173	5,098	1,959	152	10,118	73,805

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold <u>land</u> RM'000	Buildings and <u>improvements</u> RM'000	Equipment, furniture and fittings and <u>computers</u> RM'000	Motor <u>vehicles</u> RM'000	Refurbishment and <u>renovations</u> RM'000	Capital work-in- <u>progress</u> RM'000	<u>Total</u> RM'000
<u>GROUP 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

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Freehold <u>land</u> RM'000	Buildings and <u>improvements</u> RM'000	Equipment, furniture and fittings and <u>computers</u> RM'000	Motor <u>vehicles</u> RM'000	Refurbishment and <u>renovations</u> RM'000	Capital work-in- <u>progress</u> RM'000	<u>Total</u> RM'000
GROUP							
<u>ACCUMULATED IMPAIRMENT</u>							
<u>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 2025 (CONTINUED)

11 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

COMPANY	Equipment, furniture and fittings	Motor vehicles	Total
<u>COST</u>	RM'000	RM'000	RM'000
At 1.1.2025	927	268	1,195
Additions for the financial year	40	0	40
At 31.12.2025	967	268	1,235
 <u>ACCUMULATED DEPRECIATION</u>			
At 1.1.2025	882	268	1,150
Depreciation for the financial year	16	0	16
At 31.12.2025	898	268	1,166
 <u>CARRYING AMOUNT</u>			
At 31.12.2025	69	0	69
 <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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Addition of property, plant and equipment during the financial year	3,336	3,106	40	11
Less:				
Borrowing costs capitalised	(600)	(420)	0	0
Financed through hire purchase	(596)	(118)	0	0
Balance not paid	(53)	0	0	0
Cash payments	<u>2,087</u>	<u>2,568</u>	<u>40</u>	<u>11</u>

(b) At 31 December 2025, certain freehold land and buildings of the Group with a total carrying amounts of RM50,163,000 (2024: RM51,109,000) is charged to secure bank loans granted to the Group (see Note 23).

(c) Included in the property, plant and equipment of the Group were kitchen equipment, audio visual equipment and office equipment held under hire purchase arrangement with a carrying amount of RM654,000 (2024: RM134,000). 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 2025 (CONTINUED)

12 RIGHT-OF-USE ASSETS

GROUP	Leasehold port land RM'000	Leasehold land RM'000	Buildings and improvement RM'000	Total RM'000
<u>COST</u>				
At 1.1.2025/ 31.12.2025	90,182	12,150	1,537	103,869
<u>ACCUMULATED DEPRECIATION</u>				
At 1.1.2025	9,142	1,098	141	10,381
Depreciation for the financial year	995	103	7	1,105
At 31.12.2025	10,137	1,201	148	11,486
<u>ACCUMULATED IMPAIRMENT LOSSES</u>				
At 1.1.2025	0	4,800	862	5,662
Reversal of impairment loss for the financial year	0	(85)	(37)	(122)
At 31.12.2025	0	4,715	825	5,540
<u>CARRYING AMOUNT</u>				
At 31.12.2025	80,045	6,234	564	86,843
<u>COST</u>				
At 1.1.2024	90,182	12,150	1,709	104,041
Derecognition due to lease modification	0	0	(172)	(172)
At 31.12.2024	90,182	12,150	1,537	103,869
<u>ACCUMULATED DEPRECIATION</u>				
At 1.1.2024	8,147	995	281	9,423
Depreciation for the financial year	995	103	7	1,105
Derecognition due to lease modification	0	0	(147)	(147)
At 31.12.2024	9,142	1,098	141	10,381
<u>ACCUMULATED IMPAIRMENT LOSSES</u>				
At 1.1.2024	0	4,911	936	5,847
Reversal of impairment loss for the financial year	0	(111)	(49)	(160)
Written off	0	0	(25)	(25)
At 31.12.2024	0	4,800	862	5,662
<u>CARRYING AMOUNT</u>				
At 31.12.2024	81,040	6,252	534	87,826

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

12 RIGHT-OF-USE ASSETS (CONTINUED)

<u>COMPANY</u>	<u>Buildings</u>
<u>COST</u>	<u>RM'000</u>
At 1.1.2025/31.12.2025	<u>5,657</u>
<u>ACCUMULATED DEPRECIATION</u>	
At 1.1.2025	2,829
Depreciation for the financial year	<u>942</u>
At 31.12.2025	<u>3,771</u>
<u>CARRYING AMOUNT</u>	
At 31.12.2025	<u><u>1,886</u></u>
<u>COST</u>	
At 1.1.2024/31.12.2024	<u>5,657</u>
<u>ACCUMULATED DEPRECIATION</u>	
At 1.1.2024	1,886
Depreciation for the financial year	<u>943</u>
At 31.12.2024	<u>2,829</u>
<u>CARRYING AMOUNT</u>	
At 31.12.2024	<u><u>2,828</u></u>

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 2025 and 31 December 2024. The plots of leasehold port land are amortised over the lease periods of 99 years.

At 31 December 2025, certain leasehold port land with a carrying amount RM53,393,000 (2024: RM53,997,000) and leasehold land of RM6,234,000 (2024: RM6,252,000) 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 2025 (CONTINUED)

13 PORT FACILITIES

	Port <u>structure</u> RM'000	Port <u>equipment</u> RM'000	Capital work- <u>in-progress</u> RM'000	<u>Total</u> RM'000
<b>GROUP</b>				
<b><u>COST</u></b>				
At 1.1.2025	167,407	68,552	52,754	288,713
Additions	2,389	2,625	96,209	101,223
Written off	(20)	0	0	(20)
Transfer	1,663	1,155	(2,818)	0
At 31.12.2025	<u>171,439</u>	<u>72,332</u>	<u>146,145</u>	<u>389,916</u>
<b><u>ACCUMULATED DEPRECIATION</u></b>				
At 1.1.2025	44,684	30,878	0	75,562
Depreciation for the financial year	3,049	4,843	0	7,892
Written off	(1)	0	0	(1)
At 31.12.2025	<u>47,732</u>	<u>35,721</u>	<u>0</u>	<u>83,453</u>
<b><u>CARRYING AMOUNT</u></b>				
At 31.12.2025	<u>123,707</u>	<u>36,611</u>	<u>146,145</u>	<u>306,463</u>
<b><u>COST</u></b>				
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	<u>167,407</u>	<u>68,552</u>	<u>52,754</u>	<u>288,713</u>
<b><u>ACCUMULATED DEPRECIATION</u></b>				
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	<u>44,684</u>	<u>30,878</u>	<u>0</u>	<u>75,562</u>
<b><u>CARRYING AMOUNT</u></b>				
At 31.12.2024	<u>122,723</u>	<u>37,674</u>	<u>52,754</u>	<u>213,151</u>

(a) During the financial year, port facilities of the Group and of the Company were acquired by means of:

	GROUP	
	2025 RM'000	2024 RM'000
Addition of port facilities during the financial year	101,223	68,994
Less:		
Borrowing costs capitalised	(3,629)	(114)
Cash payments	<u>97,594</u>	<u>68,880</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

14 INVESTMENT PROPERTIES

GROUP	<u>Freehold land</u>	<u>Buildings</u>	<u>Total</u>
<u>COST</u>	RM'000	RM'000	RM'000
At 1.1.2025/31.12.2025	1,815	7,068	8,883
<u>ACCUMULATED DEPRECIATION</u>			
At 1.1.2025	0	2,143	2,143
Depreciation for the financial year	0	283	283
At 31.12.2025	0	2,426	2,426
<u>CARRYING AMOUNT</u>			
At 31.12.2025	1,815	4,642	6,457
<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

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 2025, the forced sale values of the properties of the Group was estimated at RM36,800,000 (2024: 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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	<u>2025</u> RM'000	<u>2024</u> 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>

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>2025</u> %	<u>2024</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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

<u>Name of subsidiaries</u>	<u>Effective interest held by the Company</u>		<u>Principal activities</u>
	<u>2025</u> %	<u>2024</u> %	
<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.
Yayasan Lumut Port *	@	-	A company limited by guarantee, established to undertake and manage the corporate social responsibility initiatives of Lumut Maritime Terminal Sdn. Bhd.
<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. and Yayasan Lumut Port as Lumut Maritime Terminal Sdn. Bhd. has 100% voting interest in LMT Capital Sdn. Bhd.

@ Yayasan Lumut Port is a company without share capital, limited by guarantee, incorporated on 30 December 2025.

All subsidiaries are incorporated in Malaysia. The principal place of business of these subsidiaries is in Malaysia.

As at 31 December 2025, the total non-controlling interests are RM180,925,000 (2024: RM171,118,000), mainly attributed by the 2 (2024: 2) subsidiaries listed below. The other non-controlling interests are individually insignificant.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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.	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Non-current assets	402,563	310,085	57,878	58,710
Current assets	89,634	87,658	3,417	4,074
Total assets	<u>492,197</u>	<u>397,743</u>	<u>61,295</u>	<u>62,784</u>
Non-current liabilities	118,630	43,658	331	74
Current liabilities	15,712	16,304	11,216	11,260
Total liabilities	<u>134,342</u>	<u>59,962</u>	<u>11,547</u>	<u>11,334</u>
Net assets	<u>357,855</u>	<u>337,781</u>	<u>49,748</u>	<u>51,450</u>
Equity attributable to:				
Owners of the Company	178,928	168,891	44,544	46,068
Non-controlling interests	178,927	168,890	5,204	5,382
	<u>357,855</u>	<u>337,781</u>	<u>49,748</u>	<u>51,450</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

15 INVESTMENTS IN SUBSIDIARIES (CONTINUED)

(b) Summarised statements of comprehensive income

	Lumut Maritime Terminal Sdn. Bhd.		Casuarina Meru Sdn. Bhd.	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Revenue	142,322	129,605	19,418	21,002
Profit/(loss) for the financial year	30,075	28,470	(1,707)	(2,133)
Total comprehensive income/(expenses)	<u>30,075</u>	<u>28,470</u>	<u>(1,707)</u>	<u>(2,133)</u>
Profit/(loss) attributable to:				
Owners of the Company	15,038	14,235	(1,481)	(1,907)
Non-controlling interests	15,037	14,235	(226)	(226)
	<u>30,075</u>	<u>28,470</u>	<u>(1,707)</u>	<u>(2,133)</u>
Total comprehensive Income/(expenses) attributable to:				
Owners of the Company	15,038	14,235	(1,481)	(1,907)
Non-controlling interests	15,037	14,235	(226)	(226)
	<u>30,075</u>	<u>28,470</u>	<u>(1,707)</u>	<u>(2,133)</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>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Net cash flows generated from/(used in):				
Operating activities	33,480	47,836	967	(657)
Investing activities	(102,775)	(55,890)	(25)	(693)
Financing activities	<u>60,970</u>	<u>15,932</u>	<u>(758)</u>	<u>(129)</u>
Net increase/(decrease) in cash and cash equivalents	(8,325)	7,878	184	(1,479)
Cash and cash equivalents at:				
Beginning of the financial year	<u>24,154</u>	<u>16,276</u>	<u>(3,632)</u>	<u>(2,153)</u>
End of the financial year	<u>15,829</u>	<u>24,154</u>	<u>(3,448)</u>	<u>(3,632)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

16 INVESTMENTS IN ASSOCIATES

	<u>GROUP</u>	
	<u>2025</u> RM'000	<u>2024</u> 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>2025</u> %	<u>2024</u> %
<u>Held by PCB Equity Sdn. Bhd.</u>			%	%
Suaconcept Pro Sdn. Bhd. (formerly known as 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

	<u>GROUP</u>		<u>COMPANY</u>	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> 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>134</u>	<u>129</u>	<u>48</u>	<u>46</u>
Market value of quoted investments	<u>134</u>	<u>129</u>	<u>48</u>	<u>46</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 1.1.2025	24,746	6,008	30,754
Additions	0	214	214
Transfer from property, plant and equipment	0	102	102
At 31.12.2025	<u>24,746</u>	<u>6,324</u>	<u>31,070</u>
<u>ACCUMULATED AMORTISATION</u>			
At 1.1.2025	0	5,607	5,607
Amortisation	0	204	204
At 31.12.2025	<u>0</u>	<u>5,811</u>	<u>5,811</u>
<u>ACCUMULATED IMPAIRMENT LOSSES</u>			
At 1.1.2025/31.12.2025	<u>935</u>	<u>0</u>	<u>935</u>
<u>CARRYING AMOUNT</u>			
At 31.12.2025	<u>23,811</u>	<u>513</u>	<u>24,324</u>
<u>COST</u>			
At 1.1.2024	24,746	5,873	30,619
Additions	0	135	135
At 31.12.2024	<u>24,746</u>	<u>6,008</u>	<u>30,754</u>
<u>ACCUMULATED AMORTISATION</u>			
At 1.1.2024	0	5,251	5,251
Amortisation	0	356	356
At 31.12.2024	<u>0</u>	<u>5,607</u>	<u>5,607</u>
<u>ACCUMULATED IMPAIRMENT LOSSES</u>			
At 1.1.2024/31.12.2024	<u>935</u>	<u>0</u>	<u>935</u>
<u>CARRYING AMOUNT</u>			
At 31.12.2024	<u>23,811</u>	<u>401</u>	<u>24,212</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

18 INTANGIBLE ASSETS (CONTINUED)

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 2025 (2024: 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 (2024: 5 years).
- Revenue was projected at anticipated annual growth of 2.0% (2024: 2.0%) per annum.
- A pre-tax discount rate for 6.4% (2024: 8.0%) 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% (2024: 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 2025 (CONTINUED)

19 INVENTORIES

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> 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	24,895	24,854	24,290	24,249
- Leasehold land with unexpired lease period of more than 50 years	50,859	50,770	51,669	51,580
- Development costs	24,714	15,574	16,277	7,424
Property development costs	100,468	91,198	92,236	83,253
Food and beverages	67	88	0	0
Other supplies	128	182	0	0
Tools and spares	13,562	14,509	0	0
	<u>114,225</u>	<u>105,977</u>	<u>92,236</u>	<u>83,253</u>
	<u>124,653</u>	<u>116,405</u>	<u>92,236</u>	<u>83,253</u>
<u>Recognised in profit or loss</u>				
Inventories recognised as cost of sales	19,632	17,222	0	0
Inventories written off	1	0	0	0
Reversal of inventories previously written down	(6)	(1,192)	0	0

Freehold land under development and leasehold land with an unexpired lease period of more than 50 years with carrying amounts of RM4,782,000 and RM25,813,000 (2024: RM4,762,000 and RM25,813,000) respectively of the Group and of the Company 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 previous financial year.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

20 RECEIVABLES, DEPOSITS AND PREPAYMENTS

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
<u>Current</u>				
Trade receivables, gross	16,748	14,885	0	0
Less: Allowance for impairment loss	(1,973)	(2,054)	0	0
Trade receivables, net	14,775	12,831	0	0
Other receivables	2,627	1,752	20	16
Less: Allowance for impairment loss	(1,154)	(1,154)	0	0
	1,473	598	20	16
Deposits	2,082	1,704	117	117
Prepayments	6,050	3,981	321	275
Goods and Services Tax receivable	50	50	50	50
	24,430	19,164	508	458
Amounts due from related parties (trade):				
Ultimate holding corporation	934	1,963	0	0
Former subsidiaries	2,317	2,317	0	0
Associate	33	33	0	0
Fellow subsidiaries	1,366	1,342	0	0
Related parties	12,657	9,509	0	0
	17,307	15,164	0	0
Less: Allowance for impairment loss				
Ultimate holding corporation	(474)	(1,909)	0	0
Former subsidiaries	(2,317)	(2,317)	0	0
Associate	(33)	(33)	0	0
Fellow subsidiaries	(1,341)	(1,330)	0	0
	(4,165)	(5,589)	0	0
	13,142	9,575	0	0

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

20 RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Amounts due from related parties (non-trade):				
Ultimate holding corporation	3,395	3,558	1,306	1,306
Subsidiaries	0	0	46,691	45,132
Former subsidiaries	202,395	202,395	159,027	159,027
Associates	8,576	8,586	8,500	8,500
Fellow subsidiaries	8,547	8,547	2,111	2,111
Related parties	4,295	4,295	0	0
	<u>227,208</u>	<u>227,381</u>	<u>217,635</u>	<u>216,076</u>
Less: Allowance for impairment losses				
Ultimate holding corporation	(3,395)	(2,422)	(1,306)	(1,306)
Subsidiaries	0	0	(46,691)	(45,132)
Former subsidiaries	(202,395)	(202,395)	(159,027)	(159,027)
Associates	(8,576)	(8,586)	(8,500)	(8,500)
Fellow subsidiaries	(8,547)	(8,547)	(2,111)	(2,111)
Related parties	(645)	(645)	0	0
	<u>(223,558)</u>	<u>(222,595)</u>	<u>(217,635)</u>	<u>(216,076)</u>
	<u>3,650</u>	<u>4,786</u>	<u>0</u>	<u>0</u>
Total amounts due from related parties	<u>16,792</u>	<u>14,361</u>	<u>0</u>	<u>0</u>
Total receivables, deposits and prepayments	<u>41,222</u>	<u>33,525</u>	<u>508</u>	<u>458</u>

- (a) Trade receivables are non-interest bearing and are generally on 30 to 60 days (2024: 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	
	<u>2025</u> RM'000	<u>2024</u> RM'000
Movements in allowance accounts		
At 1 January	2,054	1,882
Impairment charge for the financial year	93	320
Reversal of impairment losses for the financial year	(174)	(148)
At 31 December	<u>1,973</u>	<u>2,054</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 (2024: 30 to 60 days) terms.

The non-trade amounts due from related parties are unsecured and interest-free as at 31 December 2025 and 31 December 2024.

The amount due from an associate are unsecured and interest-free as at 31 December 2025 and 31 December 2024.

	GROUP		COMPANY	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	RM'000
Movements in allowance accounts				
At 1 January	228,184	230,073	216,076	211,650
Impairment charge for the financial year	988	1,535	1,914	4,856
Reversal of impairment losses for the financial year	(1,449)	(3,424)	(355)	(430)
At 31 December	<u>227,723</u>	<u>228,184</u>	<u>217,635</u>	<u>216,076</u>

(c) Other receivables

	GROUP	
	<u>2025</u>	<u>2024</u>
	RM'000	RM'000
Movements in allowance accounts		
At 1 January	1,154	1,204
Impairment charge for the financial year	0	150
Reversal of impairment losses for the financial year	0	(200)
At 31 December	<u>1,154</u>	<u>1,154</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

21 DEPOSITS, CASH AND BANK BALANCES

Cash and cash equivalents included in the statements of cash flows comprise the following:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deposits with licensed banks	11,762	8,548	6	6
Cash and bank balances	16,605	24,676	46	16
	<u>28,367</u>	<u>33,224</u>	<u>52</u>	<u>22</u>
Deposits, cash and bank balances	28,367	33,224	52	22
Less:				
Deposits pledged with banks	(5,378)	(2,341)	0	0
Fixed deposits with maturity of more than 3 months	(5,383)	(5,207)	(6)	(6)
Overdraft (Note 23)	(4,968)	(4,961)	0	0
Cash and cash equivalents	<u>12,638</u>	<u>20,715</u>	<u>46</u>	<u>16</u>
	%	%	%	%
Weighted average effective interest rate at the reporting date is as follows:				
Deposits with licensed banks	<u>2.50 - 3.40</u>	<u>2.50 - 3.35</u>	<u>2.10</u>	<u>2.50</u>
	Days	Days	Days	Days
The range of maturity periods of the deposits with licensed banks are as follows:				
- unencumbered	88 - 365	90 - 365	365	366
- encumbered	<u>365</u>	<u>365 - 366</u>	<u>N/A</u>	<u>N/A</u>

Included in the deposits with licensed banks of the Group are RM5,378,000 (2024: RM2,341,000) pledged as securities for bank facilities granted.

22 SHARE CAPITAL

	Number of Ordinary Shares		Share Capital	
	2025 '000	2024 '000	2025 RM'000	2024 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>

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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

23 LOANS AND BORROWINGS

	GROUP		COMPANY	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RM'000	RM'000	RM'000	RM'000
<u>Secured</u>				
<u>Current</u>				
Hire purchase and finance lease liabilities	759	634	1,024	966
Term financing-i	1,211	0	0	0
Revolving credits	5,113	5,143	0	0
Overdraft	4,968	4,961	0	0
Redeemable cumulative preference shares	44,016	41,292	44,016	41,292
	<u>56,067</u>	<u>52,030</u>	<u>45,040</u>	<u>42,258</u>
<u>Non-current</u>				
Hire purchase and finance lease liabilities	12,814	14,356	1,086	2,110
Term financing-i	102,340	28,905	0	0
Business financing-i and cash line-i	29,840	29,593	0	0
Revolving credits	14,143	19,143	0	0
	<u>159,137</u>	<u>91,997</u>	<u>1,086</u>	<u>2,110</u>
<u>Total borrowings</u>				
Hire purchase and finance lease liabilities	13,573	14,990	2,110	3,076
Term financing-i	103,551	28,905	0	0
Business financing-i and cash line-i	29,840	29,593	0	0
Revolving credits	19,256	24,286	0	0
Overdraft	4,968	4,961	0	0
Redeemable cumulative preference shares	44,016	41,292	44,016	41,292
	<u>215,204</u>	<u>144,027</u>	<u>46,126</u>	<u>44,368</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
<u>Maturity of borrowings</u>				
On demand or within one year	56,067	52,030	45,040	42,258
More than 1 year and less than 2 years	20,311	6,018	1,086	1,024
More than 2 years and less than 5 years	54,147	27,695	0	1,086
More than 5 years	84,679	58,284	0	0
	<u>215,204</u>	<u>144,027</u>	<u>46,126</u>	<u>44,368</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 during the financial year ended 31 December 2025.

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 3.91% to 4.19% (2024: 3.78% to 4.19%) per annum. The hire purchases payables are secured by the kitchen equipment, audio visual equipment and office 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 2025 (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 6.47% (2024: 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 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 2025 (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 6.95% to 7.47% (2024: 5.36% to 7.47%) 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 6.90% (2024: 7.15%) 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	
	2025 '000	2024 '000	2025 RM'000	2024 RM'000
RPS classified as debt instruments:				
At 1 January	35,815	35,815	41,292	39,326
Issued during the financial year	0	0	0	0
Interest expenses charged during the financial year	0	0	2,724	1,966
At 31 December	<u>35,815</u>	<u>35,815</u>	<u>44,016</u>	<u>41,292</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 2025 (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;
- 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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

23 LOANS AND BORROWINGS (CONTINUED)

(g) Redeemable cumulative preference shares ("RPS") of the Group and of the Company (continued)

- 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, vide 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 the Company 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.

Subsequently, CIMB, at the Company's request, vide its letter dated 30 September 2025, granted a further extension of time up to 31 March 2026 for the full redemption of RPS-A1, together with cumulative gross preferential dividends at a rate of 8% per annum from 1 October 2025 until the maturity date of RPS-A1. Similarly, AIB, vide its letter dated 4 November 2025, granted an extension of time up to 31 March 2026 for the full redemption of RPS-A2.

The Company intends to utilise proceeds from land monetisation under the Proposed Regularisation Plan to fully redeem both RPS-A1 and RPS-A2. The timing of the receipt of these proceeds is contingent upon the fulfilment of the relevant conditions precedent, including approvals from Bursa Malaysia and shareholders, which were obtained on 19 January 2026 and 27 February 2026, respectively.

In view of the above, the Company had on 6 March 2026 requested for a further extension of time up to 30 June 2026 to facilitate the timing of receipt of the proceeds. CIMB has, vide its letter dated 17 March 2026, approved the said extension.

In respect of AIB, the Company's request for a further extension is under consideration. The Company remains in active engagement with the AIB to align the repayment timeline with the expected receipt of proceeds from the ongoing land monetisation which is progressing towards completion. The RPS-A2 remains in good standing, with no event of default triggered as at the date of this report.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

24 PAYABLES AND ACCRUED LIABILITIES

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
<u>Current</u>				
Trade payables	8,188	3,547	3,667	0
Other payables	34,037	29,296	21,969	17,661
Financial guarantee contracts	14,941	18,069	34,197	42,355
Deposits received	54,244	40,596	41,742	27,460
Accruals	25,931	28,368	716	201
	<u>137,341</u>	<u>119,876</u>	<u>102,291</u>	<u>87,677</u>
Amounts due to related parties (non-trade):				
Ultimate holding corporation	36,044	35,511	26,056	25,621
Fellow subsidiaries	1,850	1,787	1,476	1,413
A former subsidiary	3,498	3,498	231	231
Subsidiaries	0	0	116,574	114,190
An associate	546	532	14	0
Total amounts due to related parties	<u>41,938</u>	<u>41,328</u>	<u>144,351</u>	<u>141,455</u>
Total payables and accrued liabilities	<u>179,279</u>	<u>161,204</u>	<u>246,642</u>	<u>229,132</u>

(a) Trade payables

These amounts are non-interest bearing. Trade payables are normally settled within 7 to 90 days (2024: 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 2025 (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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax liabilities				
- subject to income tax	(16,297)	(14,760)	(7)	(7)

The movements in deferred tax assets/(liabilities) during the financial year comprise the following:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
At 1 January	(14,760)	(13,211)	(7)	(7)
Credited/(Charged) to profit or loss (Note 9)				
- property, plant and equipment and port facilities	(1,522)	(1,177)	0	0
- unabsorbed capital allowances	636	608	0	0
- provisions and allowances	(651)	(980)	0	0
	(1,537)	(1,549)	0	0
At 31 December	(16,297)	(14,760)	(7)	(7)
<u>Subject to income tax:</u>				
Deferred tax assets (before offsetting)				
- provisions and allowances	(5,022)	5,214	0	0
- unabsorbed capital allowances	2,128	0	0	0
- property, plant and equipment	0	(1,732)	0	0
	(2,894)	3,482	0	0
Offsetting	2,894	(3,482)	0	0
Deferred tax assets (after offsetting)	0	0	0	0
Deferred tax liabilities (before offsetting)				
- property, plant and equipment and port facilities	(13,403)	(18,242)	(7)	(7)
Offsetting	(2,894)	3,482	0	0
Deferred tax liabilities (after offsetting)	(16,297)	(14,760)	(7)	(7)

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

25 DEFERRED TAX LIABILITIES (CONTINUED)

The analysis of deferred tax assets/(liabilities) is as follows:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax liabilities				
- to be settled within 12 months	0	0	0	0
- to be settled after 12 months	(13,403)	(18,242)	(7)	(7)
	<u>(13,403)</u>	<u>(18,242)</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	(2,894)	3,482	0	0
	<u>(2,894)</u>	<u>3,482</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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unused tax losses	95,205	82,719	73,599	60,945
Unabsorbed capital allowances	15,321	15,970	88	66

Deferred tax assets have not been recognised in respect of the following items:

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Unused tax losses	95,205	82,719	73,599	60,945
Unabsorbed capital allowances	15,321	15,970	88	66
Other deductible temporary differences	413,677	407,541	217,615	216,063
	<u>524,203</u>	<u>506,230</u>	<u>291,302</u>	<u>277,074</u>

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

Following the stay of the said Decision was refused by the High Court, the Company had the power to direct the relevant activities of PCB Development and in accordance with MFRS 10, PCB Development was 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>
<b>Cash Flow Arising from Deemed Acquisition</b>		
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 was 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 2025 (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	<u>                    </u>	(521,427)
Gain on disposal of a deemed acquired subsidiary		<u><u>521,427</u></u>
<b>Cash Flow Arising from Disposal</b>		
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><u>(6,444)</u></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.

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 2025 (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	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>PKNP - Holding corporation</u>				
Recharge of admin expenses paid/payable	(435)	(184)	(435)	(184)
Rental income received/receivable	1,844	1,844	0	0
Interest expenses paid/payable	0	238	0	238
Waiver of debt	360	0	0	0
Sales income	469	161	0	0
Set off of debts	1	582	1	582
Lease rental paid/payable	(800)	(872)	0	0
<u>Subsidiaries</u>				
Advances paid	0	0	(2,283)	(4,804)
Advances received	0	0	2,640	1,788
Set off of debts	0	0	1	152
Rental services	0	0	(1,121)	(1,187)
Shared service charges	0	0	(388)	(411)
<u>Former subsidiaries</u>				
Set off of debts	0	(198)	0	198
<u>Other related parties</u>				
Sales	54	19	0	0
Purchase of goods	(4)	(11)	(4)	(1)
Rendering of services	(117)	(82)	(111)	(40)
Set off of debts	0	(372)	0	(231)
<u>Associate</u>				
Rendering of internet services	(81)	(81)	(81)	(81)
<u>Government related entity - Lekir Bulk Terminal Sdn. Bhd.</u>				
Revenue from operation and maintenance	52,050	44,664	0	0
Purchase of goods	(2,748)	(1,901)	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 2025 (CONTINUED)

27 RELATED PARTY DISCLOSURES (CONTINUED)

(d) Key management compensation

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Salaries and other short term employee benefits	4,706	3,858	1,847	1,148
Post-employment benefits	<u>559</u>	<u>450</u>	<u>188</u>	<u>98</u>
	<u>5,265</u>	<u>4,308</u>	<u>2,035</u>	<u>1,246</u>
Included herein are directors' remuneration disclosed in Note 7 to the financial statements	<u>1,839</u>	<u>1,654</u>	<u>596</u>	<u>573</u>

28 CAPITAL COMMITMENTS

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
Purchase of property, plant and equipment	11,529	11,906	0	0
Purchase of port facilities	<u>26,856</u>	<u>117,861</u>	<u>0</u>	<u>0</u>
	<u>38,385</u>	<u>129,767</u>	<u>0</u>	<u>0</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS

29.1 Classification of financial instruments

	GROUP		COMPANY	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
<u>Financial assets</u>				
Financial asset measured at fair value through profit or loss:				
- Other investments	159	154	48	46
Financial assets at amortised cost:				
- Receivables and deposits	18,330	15,133	137	133
- Amount due from ultimate holding corporation	460	1,190	0	0
- Amount due from other related parties	16,332	13,171	0	0
- Deposits, cash and bank balances	28,367	33,224	52	22
Total	<u>63,648</u>	<u>62,872</u>	<u>237</u>	<u>201</u>
<u>Financial liabilities</u>				
Financial liabilities at amortised cost:				
- Payables and accrued liabilities	83,097	79,280	60,549	60,217
- Amount due to ultimate holding corporation	36,044	35,511	26,056	25,621
- Amount due to subsidiaries	0	0	116,574	114,190
- Amount due to a former subsidiary	3,498	3,498	231	231
- Amounts due to fellow subsidiaries	1,850	1,787	1,476	1,413
- Amounts due to an associate	546	532	14	0
- Loans and borrowings	215,204	144,027	46,126	44,368
Total	<u>340,239</u>	<u>264,635</u>	<u>251,026</u>	<u>246,040</u>

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

(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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(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 (2024: 2) customer which constituted approximately 59% (2024: 49%) 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.

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 2025 (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 difficulty 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 (2024 - 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 2025 (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>GROUP</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
2025				
<u>Trade receivables</u>				
Gross carrying amount	11,899	3,582	1,267	16,748
Accumulated impairment loss	(536)	(170)	(1,267)	(1,973)
Net carrying amount	<u>11,363</u>	<u>3,412</u>	<u>0</u>	<u>14,775</u>
<u>GROUP</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
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>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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 2025 (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>GROUP</u>	<u>Performing</u> RM'000	<u>Under- performing</u> RM'000	<u>Not performing</u> RM'000	<u>Total</u> RM'000
2025				
<u>Other receivables</u>				
Gross carrying amount	1,473	0	1,154	2,627
Accumulated impairment loss	0	0	(1,154)	(1,154)
Net carrying amount	<u>1,473</u>	<u>0</u>	<u>0</u>	<u>1,473</u>
<u>Amounts due from related parties</u>				
Gross carrying amount	16,792	0	227,723	244,515
Accumulated impairment loss	0	0	(227,723)	(227,723)
Net carrying amount	<u>16,792</u>	<u>0</u>	<u>0</u>	<u>16,792</u>
<u>Deposits and bank balances</u>				
Gross/Net carrying amount	<u>28,367</u>	<u>0</u>	<u>0</u>	<u>28,367</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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>GROUP</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
2024				
<u>Other receivables</u>				
Gross carrying amount	598	0	1,154	1,752
Accumulated impairment loss	0	0	(1,154)	(1,154)
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>
<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
2025				
<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	195,415	22,220	217,635
Accumulated impairment loss	0	(195,415)	(22,220)	(217,635)
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>52</u>	<u>0</u>	<u>0</u>	<u>52</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (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- performing</u> RM'000	<u>Not performing</u> RM'000	<u>Total</u> RM'000
2024				
<u>Other receivables</u>				
Gross/Net carrying amount	16	0	0	16
<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	0	0	0	0
<u>Deposits and bank balances</u>				
Gross/Net carrying amount	22	0	0	22

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 2025 (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 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(d) Liquidity risk

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>	2025				<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	68,156	0	0	68,156
Amounts due to related parties	0	41,938	0	0	41,938
Loans and borrowings	0	56,176	72,263	117,765	246,204
Hire purchase and finance lease liabilities	0	1,081	3,300	67,750	72,131
Financial guarantee contracts	24,253	0	0	0	24,253
Total undiscounted financial obligations	24,253	167,351	75,563	185,515	452,682

<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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

29.2 Financial risk management (continued)

(d) Liquidity risk (continued)

<u>COMPANY</u>	2025				<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	26,352	0	0	26,352
Amounts due to related parties	0	144,351	0	0	144,351
Loans and borrowings	0	44,884	0	0	44,884
Hire purchase and finance lease liabilities	0	1,121	1,121	0	2,242
Financial guarantee contracts	68,349	0	0	0	68,349
<b>Total undiscounted financial obligations</b>	<b>68,349</b>	<b>216,708</b>	<b>1,121</b>	<b>0</b>	<b>286,178</b>

<u>COMPANY</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	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
<b>Total undiscounted financial obligations</b>	<b>72,848</b>	<b>203,626</b>	<b>2,241</b>	<b>0</b>	<b>278,715</b>

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 2025 (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>2025</u>	<u>2024</u>
	RM'000	RM'000
Loans and borrowings	215,204	144,027
Payables and accrued liabilities	179,279	161,204
Less: Deposits, cash and bank balances	<u>(28,367)</u>	<u>(33,224)</u>
Net debt	<u>366,116</u>	<u>272,007</u>
Equity attributable to the owners of the Company	<u>98,876</u>	<u>97,853</u>
Capital and net debt	<u>464,992</u>	<u>369,860</u>
Gearing ratio	<u>79%</u>	<u>74%</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 2025 (CONTINUED)

29 FINANCIAL INSTRUMENTS (CONTINUED)

GAINS OR (LOSSES) ARISING FROM FINANCIAL INSTRUMENTS

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> 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	5	3	2	1
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	737	2,230	(1,553)	(4,417)
<b>Financial liabilities</b>				
<u>Amortised Cost</u>				
Net gains/(losses) recognised in profit or loss	<u>(3,225)</u>	<u>(3,895)</u>	<u>5,279</u>	<u>3,621</u>

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).

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

30 FAIR VALUE INFORMATION (CONTINUED)

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 2025</u>				
GROUP				
<u>Asset</u>				
Other investments	134	0	25	159
COMPANY				
<u>Asset</u>				
Other investments	48	0	0	48
<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

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.

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 2025 (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 (2024: 2) customers contributed more than 10% of the total revenue of the Group amounted to RM52,050,000 and RM20,411,000 (2024: RM44,664,000 and RM16,262,000) 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 2025 and the statements of financial position as at 31 December 2025. The components of the segment assets and liabilities include classes of assets and liabilities disclosed in the statements of financial position.

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position

	<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
<u>2025</u>					
Revenue:					
Total revenue	142,322	1,100	22,585	8,572	174,579
Less: Inter-segment revenue	0	0	(2,426)	(6,508)	(8,934)
Revenue from external customers	<u>142,322</u>	<u>1,100</u>	<u>20,159</u>	<u>2,064</u>	<u>165,645</u>
Revenue from contracts with customers:					
Timing of revenue recognition					
- At a point in time	119,985	1,100	12,124	0	133,209
- Over time	<u>22,337</u>	<u>0</u>	<u>8,035</u>	<u>2,064</u>	<u>32,436</u>
Results:					
Profit/(Loss) from operations	43,056	(1,242)	(863)	(5,641)	35,310
Finance costs	(50)	0	(1,242)	(4,477)	(5,769)
Profit/(Loss) before tax	<u>43,006</u>	<u>(1,242)</u>	<u>(2,105)</u>	<u>(10,118)</u>	<u>29,541</u>
Tax expense	(12,886)	(198)	(423)	(204)	(13,711)
Net profit/(loss) for the financial year	<u>30,120</u>	<u>(1,440)</u>	<u>(2,528)</u>	<u>(10,322)</u>	<u>15,830</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position (continued)

<u>2025</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
Included in profit/(loss) from operations are:					
- interest income	(186)	0	0	(17)	(203)
- dividend income	0	0	0	(1)	(1)
- fair value gain on other investments	0	0	0	(5)	(5)
- reversal of impairment losses on trade and other receivables	0	0	(174)	0	(174)
- reversal of impairment losses on amount due from related parties	0	0	0	(1,449)	(1,449)
- reversal of impairment losses on property, plant and equipment	0	0	(584)	0	(584)
- reversal of impairment loss on right-of-use assets	0	0	(122)	0	(122)
- reversal of inventories previously written down	(6)	0	0	0	(6)
- reversal of impairment losses on financial guarantee contracts	0	0	0	(3,128)	(3,128)
- gain on disposal of property, plant and equipment	(172)	0	0	0	(172)
- gain on lease termination	0	0	(1,335)	0	(1,335)
- gain on foreign exchange (realised)	(16)	0	0	0	(16)
- waiver of penalty	0	0	(190)	0	(190)
- waiver of debt	0	0	(360)	0	(360)
- amortisation of intangible assets	204	0	0	0	204
- depreciation of property, plant and equipment, port facilities, investment properties and right-of-use assets	10,414	0	2,199	93	12,706
- impairment losses on trade and other receivables	0	0	93	0	93

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position (continued)

<u>2025</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
Included in profit/(loss) from operations are: (continued)					
- impairment losses on amounts due from related parties	0	0	988	0	988
- deposits written off	0	0	4	0	4
- inventories written off	0	0	0	1	1
- port facilities written off	19	0	0	0	19
- property, plant and equipment written off	6	0	0	0	6

<u>2025</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
Segment assets	513,159	91,426	86,014	1,694	692,293
Unallocated assets	663	0	0	14	677
Total assets	513,822	91,426	86,014	1,708	692,970
Segment liabilities	118,085	44,169	71,662	160,567	394,483
Unallocated liabilities	16,290	0	572	1,824	18,686
Total liabilities	134,375	44,169	72,234	162,391	413,169
Capital expenditure	103,251	0	1,478	44	104,773

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position (continued)

	<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
<u>2024</u>					
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	<u>129,605</u>	<u>0</u>	<u>22,307</u>	<u>1,972</u>	<u>153,884</u>
Revenue from contracts with customers:					
Timing of revenue recognition					
- At a point in time	107,977	0	11,865	0	119,842
- Over time	<u>21,628</u>	<u>0</u>	<u>10,442</u>	<u>1,972</u>	<u>34,042</u>
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	<u>38,797</u>	<u>(4,077)</u>	<u>(2,060)</u>	<u>(5,000)</u>	<u>27,660</u>
Tax expense	(10,260)	0	(501)	(107)	(10,868)
Net profit/(loss) for the financial year	<u>28,537</u>	<u>(4,077)</u>	<u>(2,561)</u>	<u>(5,107)</u>	<u>16,792</u>

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position (continued)

<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
Included in profit/(loss) from operations are:					
- interest income	(442)	0	(9)	(11)	(462)
- fair value gain on other investments	0	0	0	(3)	(3)
- reversal of impairment losses on trade and other receivables	(136)	0	(212)	0	(348)
- reversal of impairment losses on amount due from related parties	0	0	0	(3,424)	(3,424)
- reversal of impairment losses on property, plant and equipment	0	0	(933)	0	(933)
- reversal of impairment losses on right-of-use assets	0	0	(160)	0	(160)
- reversal of inventories previously written down	(1,192)	0	0	0	(1,192)
- reversal of impairment losses on financial guarantee contracts	0	0	0	(1,891)	(1,891)
- net gain on disposal of a deemed acquired subsidiary	0	0	0	(1,793)	(1,793)
- amortisation of intangible assets	356	0	0	0	356
- depreciation of property, plant and equipment, port facilities, investment properties and right-of-use assets	9,358	0	2,564	313	12,235
- impairment losses on trade and other receivables	0	0	320	150	470
- impairment losses on amounts due from related parties	0	0	1,127	408	1,535
- impairment losses of property, plant and equipment	0	0	9	0	9

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

31 SEGMENT REPORTING (CONTINUED)

(a) Analysis of results and financial position (continued)

<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
Segment assets	417,851	82,443	86,802	1,690	588,786
Unallocated assets	1,928	0	3	142	2,073
Total assets	<u>419,779</u>	<u>82,443</u>	<u>86,805</u>	<u>1,832</u>	<u>590,859</u>
Segment assets					
Segment liabilities	45,246	26	73,994	185,965	305,231
Unallocated liabilities	14,753	0	469	1,435	16,657
Total liabilities	<u>59,999</u>	<u>26</u>	<u>74,463</u>	<u>187,400</u>	<u>321,888</u>
Capital expenditure	<u>70,475</u>	<u>0</u>	<u>1,749</u>	<u>11</u>	<u>72,235</u>

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

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

32 FINANCIAL GUARANTEE CONTRACTS

	GROUP		COMPANY	
	<u>2025</u> RM'000	<u>2024</u> RM'000	<u>2025</u> RM'000	<u>2024</u> RM'000
<u>Corporate guarantees given to banks for credit facilities granted to:</u>				
Amount guaranteed				
Subsidiaries	0	0	72,766	72,766
Associates	23,759	24,697	23,759	24,697
A former subsidiary	963	963	963	963
	<u>24,722</u>	<u>25,660</u>	<u>97,488</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 2025 (CONTINUED)

33 SIGNIFICANT EVENTS DURING THE 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, Aviden 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, iCloud System Sdn Bhd, Pesive Engineering and GS Pave & Scape Sdn Bhd (collectively, the "Plaintiffs"), against the Company and PCB Development (collectively, the "Defendants"). The Plaintiffs were 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 the Company has breached the terms of the Scheme of Arrangement and that the Plaintiffs are no longer bound by it.

On 9 October 2025, the Plaintiffs filed a notice of appeal to the Court of Appeal against the decision of the High Court Ipoh, which had dismissed their originating summons with costs.

- (b) On 7 February 2025, the Company submitted a further extension of time application to Bursa Malaysia 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 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 to collaborate and combine resources and expertise to implement and execute the proposed joint development of land held under Geran 154028, Lot 517373 measuring approximately 50.014 acres and PN 1068933, Lot No. 559634 measuring approximately 4.57 acres, both situated in Mukim Hulu Kinta, District of Kinta, Perak into a proposed mix development project.
- (d) On 13 February 2025, the Company entered into a Sale and Purchase Agreement with Lumut Maritime Terminal Sdn Bhd to dispose of three (3) plots of state lands located in Wilayah Batu Undan, Mukim Lumut, District of Manjung, Perak, measuring approximately 17.35 acres in total area, for total a cash consideration of RM8.53 million.
- (e) On 13 February 2025, the Company entered into a supplemental agreement with PKNP and Unipoh Construction Works Sdn Bhd to modify, vary and supplement the terms of the joint venture agreement dated 8 March 2024 in respect of a parcel of state land located in Mukim Hulu Kinta, District of Kinta, Negeri Perak ("Zone 1 Bandar Meru Raya"). The supplemental agreement provides, inter alia, for the agreed liquidated value of the Company's entitlement and the revised mode of payment thereof, for a total cash consideration of RM40.38 million.
- (f) On 14 February 2025, the Company entered into a supplemental agreement with Urbax Properties Sdn Bhd to modify, vary and supplement the terms of the joint development agreement dated 7 June 2024 in relation to a housing development project on lands held under Geran 178753, Lot No. 516682, Geran 178754, Lot No. 516683 and Geran 151067, Lot No. 516687, all situated in Mukim Hulu Kinta, District of Kinta, Perak, measuring approximately 24.807 acres in total. The supplemental agreement revises, among others, the conditions precedent and development approvals, and sets out the gross development value, gross development cost and the mode of settlement of the Company's entitlement.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

33 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTINUED)

- (a) 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.
- (b) On 9 May 2025, the application in relation to the Proposed Regularisation Plan has been submitted to Bursa Malaysia for approval.
- (c) On 13 November 2025, the Company entered into a Collaboration Agreement with Cahya Netin Sdn Bhd (formerly known as Bond Eco Farms Sdn Bhd) to identify potentially commercially viable land, measuring approximately 2,000 acres in total, in the state of Perak belonging to state agencies, for the purpose of constructing and operating a solar energy generation farm project.
- (d) On 13 November 2025 entered into a Collaboration Agreement with Megaconn Technologies Sdn Bhd (formerly known as Bond Resorts Management Sdn Bhd) to jointly procure and secure a concession award for the development and implementation of a smart water meter initiative in the state of Perak.

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

- (a) Further to the litigation disclosed under Significant Events During the Financial Year, item (a) in relation to the Plaintiffs' appeal to the Court of Appeal, on 6 January 2026, the Defendants filed a notice of motion to strike out the appeal on the grounds that the record of appeal was filed out of time.

Subsequently, on 20 January 2026, the Defendants received the notice of discontinuance from the Plaintiffs. The Defendants agreed to the notice of discontinuance with no liberty to file afresh, and the hearing date fixed on 4 February 2026 was vacated.

On 4 February 2026, the Court of Appeal confirmed that the notices of discontinuance in respect of the appeal and related applications were in order. Consequently, the Court of Appeal confirmed that the case has been closed.

- (b) Bursa Malaysia has, vide its letter dated 19 January 2026, resolved to approve the Company's Proposed Regularisation Plan, subject to the following conditions:
  - (i) the Company and M&A Securities Sdn Bhd ("M&A Securities"), being the Principal Adviser, must fully comply with the relevant provisions under the Listing Requirements pertaining to the implementation of the Proposed Regularisation Plan;
  - (ii) the Company and M&A Securities to confirm all approvals of relevant authorities have been obtained for the implementation of the Proposed Regularisation Plan and furnish a copy of all approval letters from the relevant authorities;
  - (iii) the Company and M&A Securities to furnish Bursa Malaysia with a certified true copy of the resolution passed by the shareholders at the general meeting for the Proposed Regularisation Plan;
  - (iv) the Company and M&A Securities to inform Bursa Malaysia upon the completion of the Proposed Regularisation Plan and furnish Bursa Malaysia with a written confirmation of its compliance with the terms and conditions of Bursa Malaysia's approval; and
  - (v) to incorporate the comments made in the circular to shareholders.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

34 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL YEAR  
(CONTINUED)

- (c) On 27 February 2026, the Company convened an Extraordinary General Meeting (“EGM”), at which all resolutions as set out in the notice of the EGM dated 5 February 2026 in respect of the Proposed Regularisation Plan were duly passed by the shareholders of the Company by way of poll.
- (d) On 3 March 2026, the Company’s solicitors, vide its letter of the same date, confirmed that all conditions precedent set out in supplemental agreement dated 13 February 2025 to the joint venture agreement with PKNP and Uni-poh Construction Works Sdn Bhd had been fulfilled. Accordingly, the supplemental agreement has become unconditional, marking the deemed completion of Zone 1 Bandar Meru Raya for the purpose of the Proposed Regularisation Plan.
- (e) On 2 April 2026, the Company’s solicitors, vide its letters all dated 2 April 2026, confirmed that all conditions precedent set out in the following agreements had been fulfilled, and accordingly, the agreements have become unconditional, marking the deemed completion of the disposals of Hulu Bernam lands for the purpose of the Proposed Regularisation Plan:
- (i) The second supplemental agreement with Makmur Impian Property Sdn Bhd dated 13 November 2024 to the principal agreement dated 10 September 2019 and the first supplemental agreement dated 17 August 2023 for the disposal of 73.14 acres of land held under PN394964, Lot 20570 and PN394965, Lot 20571, both located at Mukim Hulu Bernam Timor, Daerah Muallim, Perak;
  - (ii) the Sale and Purchase agreement with Tg Malim Hi-tech Park Sdn Bhd (formerly known as ARX-YSC Sdn Bhd) (“TMHTP”) dated 13 November 2024 for the disposal of a 247.85 acres of land held under PN394961, Lot 20402, located at Mukim Hulu Bernam Timor, Daerah Muallim, Perak; and
  - (iii) the Sale and Purchase agreement with TMHTP dated 13 November 2024 for the disposal of a 103.71 acres of land held under PN394962, Lot 20403, located at Mukim Hulu Bernam Timor, Daerah Muallim, Perak.

35 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 2026.



# 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. o.	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-FIFTH ANNUAL GENERAL MEETING ("AGM")** of the Company to be held at Casuarina Convention Centre 1, Hotel Casuarina @ Meru, No. 1-C, Jalan Meru Casuarina, Bandar Meru Raya, 30020 Ipoh, Perak Darul Ridzuan on Thursday, 4 June 2026 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 Datuk Redza Rafiq bin Abdul Razak as Director of the Company.		
3.	To re-elect Andy Liew Hock Sim as Director of the Company.		
4.	To re-elect Tan Chee Hau 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 2026.

\_\_\_\_\_  
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 26 May 2026. Only members whose names appear in the Record of Depositors as at 26 May 2026 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 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.
- The Form of Proxy can be submitted through either one of the following avenues no later than Tuesday, 2 June 2026 at 10.00 a.m. or at any adjournment thereof:
  - Lodgement of Form of Proxy in hardcopy - To be deposited at the Poll Administrator, Tricor Investor & Issuing House Services Sdn Bhd's office at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia, or alternatively, at the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
  - Electronic lodgement of Form of Proxy - The Form of Proxy can be lodged electronically via Vistra Share Registry and IPO (MY) Portal ("the Portal") at <https://srmy.vistra.com>. Kindly refer to the Administrative Guide for this AGM on the procedures for electronic lodgement of Form of Proxy via the Portal.
- The registration for the AGM will commence on Thursday, 4 June 2026 at 9.00 a.m.



## **CONTACT**

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