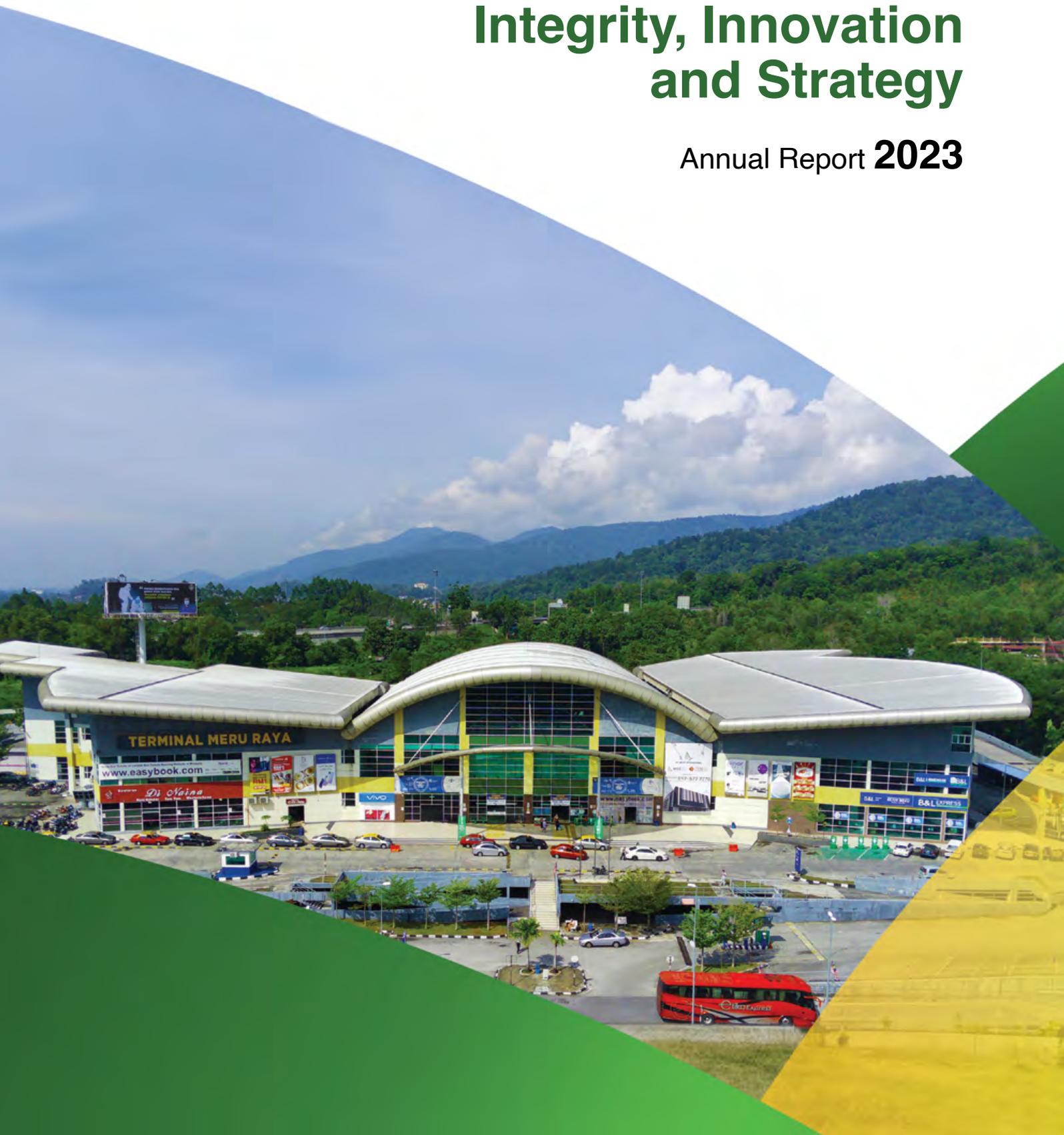


# PerakTransit

KEPUASAN ANDA, KEUTAMAAN KAMI  
YOUR SATISFACTION, OUR PRIORITY

## Integrity, Innovation and Strategy

Annual Report **2023**



## Our Vision

To be a leading developer and operator of integrated terminal complex and transportation services provider in Malaysia and to focus our future in expanding the integrated transportation terminal to other parts of Perak and other states in Malaysia.

## Our Mission

To offer wide and comprehensive bus operations, terminal activities and services to enable public users and commuters to interconnect efficiently and seamlessly within a dedicated transportation hub and to upgrade the public transport system.

## Our Core Values



Safety



Reliability



Unity



Cooperation



Public Services

# Integrity, Innovation and Strategy



Perak Transit Berhad's commitment to meticulous planning, corporate integrity and strategic innovation in its services of integrated terminal complex and transportation. The concept revolves around the sketch of planning, reflecting the strategy of the Company's expansive future. We dedicate to efficiency and convenience, strive to forward-thinking solutions and navigate a course of sustainable growth in the industry.



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## CORPORATE INFORMATION

### Board of Directors

Tan Sri Dato' Chang Ko Youn  
*Independent Non-Executive Chairman*

Dato' Sri Cheong Kong Fitt  
*Managing Director*

Dato' Cheong Peak Sooi  
*Executive Director*

Ng Wai Luen  
*Independent Non-Executive Director*

Azian Binti Kassim  
*Independent Non-Executive Director*

Dato' Haji Mohd Gazali Bin Jalal  
*Independent Non-Executive Director*

Zalinah Binti A Hamid  
*Independent Non-Executive Director*

### Audit Committee

Ng Wai Luen  
*Chairman*

Dato' Haji Mohd Gazali Bin Jalal

Azian Binti Kassim

### Nomination and Remuneration Committee

Dato' Haji Mohd Gazali Bin Jalal  
*Chairman*

Ng Wai Luen

Azian Binti Kassim

### Risk Management and Sustainability Committee

Ng Wai Luen  
*Chairman*

Dato' Cheong Peak Sooi

Zalinah Binti A Hamid

### Company Secretary

Cheai Weng Hoong  
(LS0005624)  
SSM PC No.: 202008000575

### Registered Office

No. 1 Jalan Lasam  
30350 Ipoh, Perak

Tel No.: 05-238 0612

Fax No.: 05-246 1689

### Corporate Office

E-6-2A, SOHO Ipoh 2  
Jalan Sultan Idris Shah  
30000 Ipoh, Perak

Tel No.: 05-255 1128

Fax No.: 05-255 3399

Website: [www.peraktransit.com.my](http://www.peraktransit.com.my)

E-mail Address:  
[enquiry@peraktransit.com.my](mailto:enquiry@peraktransit.com.my)

### Share Registrar

Tricor Investor & Issuing House  
Services Sdn Bhd

Registration No.:

197101000970 (11324-H)

Unit 32-01, Level 32, Tower A

Vertical Business Suite, Avenue 3

Bangsar South, No. 8, Jalan Kerinchi

59200 Kuala Lumpur

Tel No.: 03-2783 9299

Fax No.: 03-2783 9222

### Auditors

Moore Stephens Associates PLT  
Registration No.:  
201304000972 (LLP0000963-LCA)  
Chartered Accountants (AF002096)  
Unit 5.03, 5th Floor, Menara Boustead  
39, Jalan Sultan Ahmad Shah  
10050 George Town, Pulau Pinang

Tel No.: 04-295 9160

Fax No.: 04-295 9161

### Principal Banker

United Overseas Bank (Malaysia) Bhd  
Registration No.:  
199301017069 (271809-K)

AmBank Islamic Berhad  
Registration No.:  
199401009897 (295576-U)

### Stock Exchange Listing

Main Market of Bursa Malaysia  
Securities Berhad

Stock Code: 0186

Stock Name: PTRANS





## CORPORATE STRUCTURE

# PerakTransit

## PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)

**100%**

**Ipoh Link  
Sdn Bhd**

**100%**

**Syarikat Sumber  
Manusia Sdn Bhd**

**100%**

**CKS Labur  
Sdn Bhd**

**100%**

**Star Kensington  
Sdn Bhd**

**100%**

**CKS Bumi  
Sdn Bhd**

**100%**

**Terminal Urus  
Sdn Bhd**

**100%**

**PTRANS Resources  
Sdn Bhd**

**99.97%**

**The Combined Bus  
Services Sdn Bhd**

**100%**

**Citipalms  
Sdn Bhd**

## PROFILE OF DIRECTORS

### TAN SRI DATO' CHANG KO YOUN

Independent Non-Executive Chairman



Age  
67



Gender  
Male



Nationality  
Malaysian

Tan Sri Dato' Chang Ko Youn was appointed to the Board of Directors ("Board") on 25 August 2015 as an Independent Non-Executive Chairman. He ceased as a Chairman of the Nomination Committee and a member of the Audit Committee and Remuneration Committee of the Company on 10 November 2021. He graduated with a Bachelor of Laws (Hons) from the University of Hull, England in 1981. In 1982, he was called to the English Bar as a Barrister-At-Law of Lincoln's Inn, London and was subsequently called to the Malaysian Bar in 1983.

Tan Sri Dato' Chang Ko Youn began his career as a lawyer in Ipoh in 1983 until 1995 where he was attached to Chang Ko Youn & Co. In 1987, he was appointed as Councilor of the Kuala Kangsar District Council until 1995. Over the years, he has held numerous political positions in Parti Gerakan including Perak Gerakan Youth Chairman, Perak State Chairman, Chairman of its National Youth, National Deputy President and Acting President. In 1995, he was appointed as a Member of the Perak State Executive Council after winning the Jalong State Seat and held the post until 2008. In 2009, he was appointed as the Advisor of the Menteri Besar of Perak until 2013.

Since 2014, he has resumed his legal practice at Toh Theam Hock & Co in Ipoh, specialising in banking, commercial and conveyancing matters. He has been appointed as the Chairman of Yayasan Penjaja Dan Peniaga Kecil 1 Malaysia (YPPKM), a body handling micro-credit for petty traders sponsored by the Ministry of Finance. In 20 July 2022, he was appointed as the director for Perak Academy, a private funded organization that promote interest in the state of Perak by encouraging discussion, scholarship and research.

Tan Sri Dato' Chang Ko Youn does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does he have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2023 ("FYE 2023"). He does not hold any directorship in any other public listed companies.

### DATO' SRI CHEONG KONG FITT

Managing Director



Age  
64



Gender  
Male



Nationality  
Malaysian

Dato' Sri Cheong Kong Fitt was appointed to the Board on 5 September 2008 and is responsible for the Company and its subsidiaries ("Group") day-to-day management as well as setting the corporate vision and direction, including planning and implementing strategic business plans for the Group. He graduated with a Diploma in Business from the School of Marketing, Ipoh, obtained in 1986 and was awarded Postgraduate Certificate in International Business from York St John University, England in 2017. He has approximately 30 years of working experience in the public bus terminal operations.

Dato' Sri Cheong Kong Fitt commenced his career as a supervisor in Choong Sam Tin Mine in 1980. In 1985, he joined Swee Keong Construction Pte Ltd, Singapore as a supervisor. He left Swee Keong Construction Pte Ltd, Singapore in 1992 and joined The Combined Bus Services (Partnership), operator of Stesen Bas, Jalan Kidd as supervisor where he was principally responsible for managing public bus terminal operations. During his tenure in the Partnership, he gained extensive knowledge and experience in managing terminal and bus operations. From 2006 to 2009, he was instrumental in leading the initiative to merge the bus services operations of The General Omnibus Company (Perak) Sdn Bhd, Ipoh Omnibus Company Sdn Bhd and The Kinta Omnibus Company Sdn Bhd. After successfully merging the bus services operations, he left The Combined Bus Services (Partnership) in 2013.

In 2008, he founded the Company, which was converted into a public company in 2010, and subsequently was listed on Bursa Malaysia Securities Berhad in 2016. Under his management, the Group successfully built and commenced operations of Terminal Meru Raya in 2012 followed by Kampar Putra Sentral in 2019. The Group has commenced the construction of Bidor Sentral in 2021. He has steered the Group to venture into terminal management services and telecommunication tower construction in 2021 and 2022 respectively.

Dato' Sri Cheong Kong Fitt is the brother of Dato' Cheong Peak Sooi, an Executive Director and a shareholder of the Company. He does not have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2023. He does not hold any directorship in any other public listed companies.



## PROFILE OF DIRECTORS

### DATO' CHEONG PEAK SOOI

Executive Director



Age  
57



Gender  
Male



Nationality  
Malaysian

**Dato' Cheong Peak Sooi** is an Executive Director of the Group. He was re-appointed to the Board on 1 October 2012. He is a member of Risk Management and Sustainability Committee of the Company and ceased as a member of the Remuneration Committee of the Company on 31 October 2017. He holds a Certificate in Business Management from MDIS Business School, Singapore, obtained in 1988.

Dato' Cheong Peak Sooi commenced his career in 1992 as a site manager for G&C Civil Engineering Pte Ltd in Singapore. In 2000, he left G&C Civil Engineering Pte Ltd and subsequently took a position as a field service representative in Ameron Pte. Ltd., Singapore. During his eight (8) years tenure with Ameron Pte. Ltd., his responsibilities were to liaise with clients and prepare proposals for clients, supervise and monitor the installation of piping, as well as quality check and handover the completed installation work to clients. In 2008, he joined Star Kensington Sdn Bhd as a director where he was responsible for the operation of the company's petrol station and subsequently resigned in 2011. In the same year, he was appointed as the director of The Combined Bus Services Sdn Bhd, a position that he continues to hold till today. He is responsible to supervising and monitoring the construction, and subsequently day-to-day operations of the Group.

Dato' Cheong Peak Sooi is the brother of Dato' Sri Cheong Kong Fitt, the Managing Director and a shareholder of the Company. He does not have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2023. He does not hold any directorship in any other public listed companies.

### NG WAI LUEN

Independent Non-Executive Director



Age  
55



Gender  
Male



Nationality  
Malaysian

**Ng Wai Luen** was appointed to the Board on 25 August 2015 as an Independent Non-Executive Director. He is the Chairman of the Audit Committee and Risk Management and Sustainability Committee and is also a member of the Nomination and Remuneration Committee of the Company. Further to the merging of the Nomination Committee and Remuneration Committee into a single Board Committee known as Nomination and Remuneration Committee, he ceased as a member of the Nomination Committee and Remuneration Committee on 10 November 2021. He graduated with a Bachelor of Business (Accounting) with distinction from RMIT University, Australia, in 1992. He is a member of the Certified Public Accountant Australia, The Malaysian Institute of Certified Public Accountants and a Chartered Accountant registered with the Malaysian Institute of Accountants.

Ng Wai Luen began his career with KPMG Malaysia in 1993 where he was responsible for statutory audits. His role involved the audit of public listed companies, due diligence reviews for corporate exercises and special audits for mergers and acquisitions.

He joined Starken AAC Group in 2012 as an executive director to head the business activities, where he is responsible for the operations of both companies including the initiation of the planning and setting up of the respective companies' factories. Currently, he is the Group Chief Executive Officer for Chin Hin Building Materials Division.

Ng Wai Luen does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does he have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2023. He does not hold any directorship in any other public listed companies.

## PROFILE OF DIRECTORS

### AZIAN BINTI KASSIM

Independent Non-Executive Director



Age  
58



Gender  
Female



Nationality  
Malaysian

**Azian Binti Kassim** was appointed to the Board on 15 August 2017 as an Independent Non-Executive Director. She is a member of Audit Committee and Nomination and Remuneration Committee of the Company. She is a Fellow of the Association of Chartered Certified Accountants, United Kingdom and a Chartered Accountant registered with the Malaysian Institute of Accountants. She has approximately 28 years of experience in the capital market and managing investment portfolios.

Azian Binti Kassim began her career as an auditor. In 1992, she joined BBMB Unit Trust Management Berhad as an Investment Officer/Analyst and in 1995, she joined Perwira Affin Merchant Bank Berhad as an Assistant Manager. Subsequently in 1996, she joined RHB Asset Management Sdn Bhd as a Manager and in 1999 and 2001, she was promoted to Senior Manager and Assistant General Manager respectively.

Azian Binti Kassim was then attached to Maybank Investment Management Sdn Bhd as the Chief Investment Officer from 2004 to 2007. She was responsible for the investments and strategy for the company.

In 2007, Azian Binti Kassim joined Syarikat Takaful Malaysia Berhad, which is now known as Syarikat Takaful Malaysia Keluarga Berhad, as Chief Investment Officer and she had spearheaded investment division and played a pivotal role in developing a strong portfolio management capability for the division.

Azian Binti Kassim does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does she have any conflict of interest with the Company. She has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2023. She does not hold any directorship in any other public listed companies.

### DATO' HAJI MOHD GAZALI BIN JALAL

Independent Non-Executive Director



Age  
66



Gender  
Male



Nationality  
Malaysian

**Dato' Haji Mohd Gazali Bin Jalal** was appointed to the Board on 20 January 2021 as an Independent Non-Executive Director. He is the Chairman of Nomination and Remuneration Committee and a member of Audit Committee of the Company. Further to the merging of the Nomination Committee and Remuneration Committee into a single Board Committee known as Nomination and Remuneration Committee, he ceased as the Chairman of the Remuneration Committee and a member of the Nomination Committee on 10 November 2021. He has obtained an honours degree in Biology (Microbiology) from Universiti Kebangsaan Malaysia and Diploma in Public Administration from Institut Tadbiran Awam Negara.

Dato' Haji Mohd Gazali Bin Jalal had served in the public service sector for more than 35 years. He first joined the Administration and Diplomatic Service on 3 January 1983 as Assistant Secretary in the Ministry of Agriculture before being transferred to Prime Minister Department as an Assistant Director in 1985.

Dato' Haji Mohd Gazali Bin Jalal was the Perak State Secretary in April 2018 before he retired in October 2018 from the services. Aside from his post as Perak State Secretary, he was also the former Perak State Financial Officer, Kuala Kangsar District Officer and Perak Land and Mines Deputy Director. He has vast experience in finance, land management and regional administration.

Dato' Haji Mohd Gazali Bin Jalal is a shareholder of the Company. He has no family relationship with any director and/or major shareholder of the Company nor does he have any conflict of interest with the Company. He has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2023. He does not hold any directorship in any other public listed companies.



## PROFILE OF DIRECTORS

### ZALINAH BINTI A HAMID

Independent Non-Executive Director



Age  
63



Gender  
Female



Nationality  
Malaysian

**Zalinah Binti A Hamid** was appointed to the Board on 9 June 2021 as an Independent Non-Executive Director. She is a member of Risk Management and Sustainability Committee of the Company. She obtained a Diploma in Accountancy from Mara Institute of Technology in 1983. Subsequently, she graduated with a Bachelor of Science in Accounting in 1985 and a Master in Business Administration in International Business in 1986, from New Hampshire College, USA.

She began her career as an Assistant Finance Officer at Lembaga Tabung Angkatan Tentera (“**LTAT**”) in February 1983 before pursuing her tertiary education at New Hampshire College, USA. After graduated, she re-joined LTAT as an Investment Officer/Analyst in July 1989. In July 1993, she joined YNS Management Sdn Bhd as the Head of the Investment Company, overseeing the operations of the company and ensuring the fund met its strategic objective.

She was the Chief Executive Officer of ASM Asset Management Berhad, now known as PMB Investment Berhad in 2003. She joined the company in April 1994 as the Fund Manager before becoming the Chief Executive Officer, a position she held until August 2005. She was responsible for the overall functions of the company and gained valuable experience in managing the various unit trust funds and private mandates.

Then, in September 2005, she joined Employees Provident Fund (“**EPF**”) until her retirement in April 2021, she was the former Head of Domestic Equity Department of EPF. She played a key role in developing and setting up the EPF’s Global Listed Equity Investment. She moved to head the Domestic Equity Department in July 2009 overseeing the investment activities in Malaysia’s public listed companies. She was the Director of Iskandar Investment Berhad (“**IIB**”) and Iskandar Capital Berhad since November 2014 and April 2016 respectively and the Chairman of the Audit Committee in IIB in October 2019 until her retirement. She has vast experience in the capital market, pension fund, fund management and unit trust funds in managing diverse mandates within domestic and foreign markets. On 23 September 2022, she was appointed as the Independent Non-Executive Director of SkyWorld Development Berhad, and a Non-Executive Director of UOB Asset Management (Malaysia) Berhad.

Zalinah Binti A Hamid does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does she have any conflict of interest with the Company. She has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the FYE 2023.



## KEY MANAGEMENT PERSONNEL

Perak Transit Berhad (“**Perak Transit**” or “**Company**”) has a team of Executive Directors and key management that understand the public transportation industry. The Managing Director and the Executive Director have been with the Company and its subsidiaries (“**Group**”) for more than ten (10) years and will continue to be loyal and committed to the Company’s growth.

Dato’ Sri Cheong Kong Fitt and Dato’ Cheong Peak Sooi both understand the market which the Group operates in and have been the key driving force of the Group’s recent success to date. The Group is also supported by a group of directors and key management with diverse background (i.e. legal, accounting and finance, marketing as well as being experienced in the public transportation sector), which will continue to drive the Group’s growth in the future.

The profiles of Dato’ Sri Cheong Kong Fitt and Dato’ Cheong Peak Sooi are set out in Profile of Directors. The profile of the other key management personnel is as follows:

### JENNIFER CHIN YI TENG

Chief Financial Officer



Age  
36



Gender  
Female



Nationality  
Malaysian

**Jennifer Chin Yi Teng** is the Chief Financial Officer of the Group. She graduated with a Bachelor of Science (Hons) in Applied Accounting from Oxford Brookes University, United Kingdom, in 2011. She is a member of the Association of Chartered Certified Accountants, United Kingdom.

Jennifer Chin Yi Teng began her career as an Account Executive with Kin Kun Group Sdn Bhd in April 2010. Her responsibilities included the preparation of monthly financial statements, budget review as well as schedules for year-end audit exercises for Kin Kun Group Sdn Bhd and its subsidiaries.

In September 2012, Jennifer Chin Yi Teng left Kin Kun Group Sdn Bhd and joined the Group as an Account Executive and undertook the preparations of annual and monthly financial statements, as well as budget reviews. She was also responsible for liaising with the Group’s external auditors and tax agents. In July 2014, she was promoted to Administration and Finance Manager, and her responsibilities include performing financial analysis, reporting and management activities, reviewing financial forecasts and projections, managing cash flow and investments, as well as employees’ welfare. Subsequently, she was promoted to Chief Financial Officer of the Group in June 2019. As Chief Financial Officer, she is responsible for all aspects of the Group’s finance, accounting and reporting functions.

Jennifer Chin Yi Teng does not hold any shares in the Company or its subsidiaries, and has no family relationship with any director and/or major shareholder of the Company nor does she have any conflict of interest with the Company. She has not been convicted of any offences within the past five (5) years and has not been imposed any penalty by the relevant regulatory bodies during the financial year ended 31 December 2023. She does not hold any directorship in any other public listed companies.



## FINANCIAL HIGHLIGHTS

Group	2023 (RM'000)	2022 (RM'000)
Revenue	173,165	170,923
Profit before tax	81,227	83,653
Profit for the year	65,110	60,017
Profit attributable to owners of the Company	65,083	60,000
Total equity attributable to owners of the Company	648,922	583,786
Total assets	1,265,749	990,595
<b>Share Information</b>	<b>2023</b>	<b>2022</b>
Basic earnings per share (sen) <sup>(1)</sup>	5.97	5.75 <sup>(2)</sup>
Dividends per share (sen)	3.03	2.97
Net asset per share (RM)	0.90	0.86
<b>Financial Ratios</b>	<b>2023</b>	<b>2022</b>
Net profit margin	38%	35%
Return on equity attributable to owners of the Company	10%	10%
Return on total assets	5%	6%
Revenue growth rate	1%	23%

Note:

- (1) Basic earnings per share for the financial year ended 31 December 2022 and financial year ended 31 December 2023 are calculated based on the Company's weighted average number of ordinary shares in Perak Transit issued as at 31 December 2022 and 31 December 2023 respectively.
- (2) Following the bonus issue exercise, the basic earnings per share had been adjusted accordingly.



## MANAGEMENT DISCUSSION AND ANALYSIS

### COMPANY OVERVIEW

Perak Transit Berhad's ("Perak Transit" or "Company") principal activity is investment holding, whilst the Company and its subsidiaries ("Group"), are principally involved in the operations of integrated public transportation terminals ("IPTT(s)", namely Terminal Meru Raya and Kampar Putra Sentral in Perak, and the provision of public bus services in Malaysia. The Group is also involved in the petrol station operations in Ipoh, Lahat and Kuala Kangsar in Perak, as well as the construction of telecommunication tower which commenced the last financial year 2022 in line with the Group's strategy to pursue new opportunities to increase our revenue stream and to diversify our earnings base.

### Mission and Vision

The Group strives to be a leading developer and operator of integrated terminal complex and transportation services provider in Malaysia and to focus our future in expanding the integrated transportation terminal to other parts of Perak and other states in Malaysia while offering wide and comprehensive bus operations, terminal activities and services to enable public users and commuters to interconnect efficiently and seamlessly within a dedicated transportation hub and to upgrade the public transport system.

### Principle Activities of the Group

The Group's revenue is mainly derived from:

- (a) IPTT operations:
  - i. Rental of advertising and promotional ("A&P") spaces;
  - ii. Rental of shops and kiosks;
  - iii. Project facilitation fee;
  - iv. Management fee; and
  - v. Others such as profit sharing from terminal management, car park fee and taxi entrance fee;
- (b) Providing public stage bus services as well as bus charter and advertising services;
- (c) Petrol stations operations; and
- (d) Telecommunication tower construction operations.

### Strategies in Creating Value

The Group continues to focus on the development and enhancement of integrated public transportation terminals to achieve business growth. The Group continues to explore innovative ideas and potential markets which includes new edge enabler services and expand its value to deliver maximum value to our shareholders whilst elevating its sustainability initiatives and strategies concurrently.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Highlights of the Group's Financial Information for the Past Five (5) Financial Years

	Audited				
	FYE 2019 (RM'000)	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	124,487	119,394	138,573	170,923	<b>173,165</b>
Profit before tax	40,923	49,017	67,807	83,653	<b>81,227</b>
EBITDA	63,829	78,064	97,691	116,314	<b>116,754</b>
Finance costs	10,623	12,984	8,853	10,781	<b>13,401</b>
Profit for the year	40,010	42,046	53,225	60,017	<b>65,110</b>
Equity attributable to owners of the Company	330,742	469,366	502,102	583,786	<b>648,922</b>
Total assets	660,698	729,095	849,175	990,595	<b>1,265,749</b>
Borrowings	301,412	225,876	295,033	335,971	<b>538,982</b>
Net gearing (times)	0.68	0.43	0.43	0.49	<b>0.69</b>
Return on equity attributable to owners of the Company (%)	12	9	11	10	<b>10</b>
Basic earnings per share (sen) <sup>(1)</sup>	2.22 <sup>(2)</sup>	4.67 <sup>(2)</sup>	5.32 <sup>(2)</sup>	5.75 <sup>(2)</sup>	<b>5.97</b>
Net asset per share (RM)	0.23	0.30	0.79	0.86	<b>0.90</b>

Note:

<sup>(1)</sup> Basic earnings per share for the financial years ended ("FYE") 2019, FYE 2020, FYE 2021, FYE 2022 and FYE 2023 are calculated based on the Company's weighted average number of ordinary shares in Perak Transit issued as at 31 December 2019, 31 December 2020, 31 December 2021, 31 December 2022 and 31 December 2023 respectively.

<sup>(2)</sup> Following the bonus issue exercise, the basic earnings per share had been adjusted accordingly.

### FINANCIAL REVIEW

For FYE 2023, the Group is organised and managed into business units based on four (4) reportable segments as follows:

- i. IPTT operations – Engaged in the rental of A&P spaces, shops and kiosks, project facilitation and others such as profit sharing from terminal management, car park fee and taxi entrance fee in Terminal Meru Raya and Kampar Putra Sentral; and terminal management fee in Terminal Sentral Kuantan.
- ii. Bus operations – Engaged in the operation of stage buses.
- iii. Petrol stations operations – Involved in sale of petrol and retail mart products.
- iv. Telecommunication tower construction operations – Engaged in provision of construction and engineering services for the building of telecommunication towers.

There have been no changes on the basis of segmentation or on the basis of measurement of segment profit or loss from the previous annual audited financial statements.

### Group Financial Performance

The Group's revenue of RM173.17 million for FYE 2023 increased by 1.3% compared to RM170.92 million in FYE 2022. The increase in revenue was mainly due to a higher contribution from IPTT operations and telecommunication tower construction operations.

The Group's profit before tax had slightly decreased by 2.9% for FYE 2023 of RM81.23 million as compared to RM83.65 million in FYE 2022. The lower profit before tax in FYE 2023 was mainly due to a lower contribution from IPTT operations and bus operations during the year.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Consolidated Statement of Financial Position

The non-current assets consist of property, plant and equipment (“PPE”), investment properties, goodwill on consolidation, contract cost and other investment. For FYE 2023, the non-current assets increased to RM1,142.53 million (FYE 2022: RM909.26 million) mainly due to the increase in PPE resulting from the construction costs of Bidor Sentral and preliminary works at Tronoh lands.

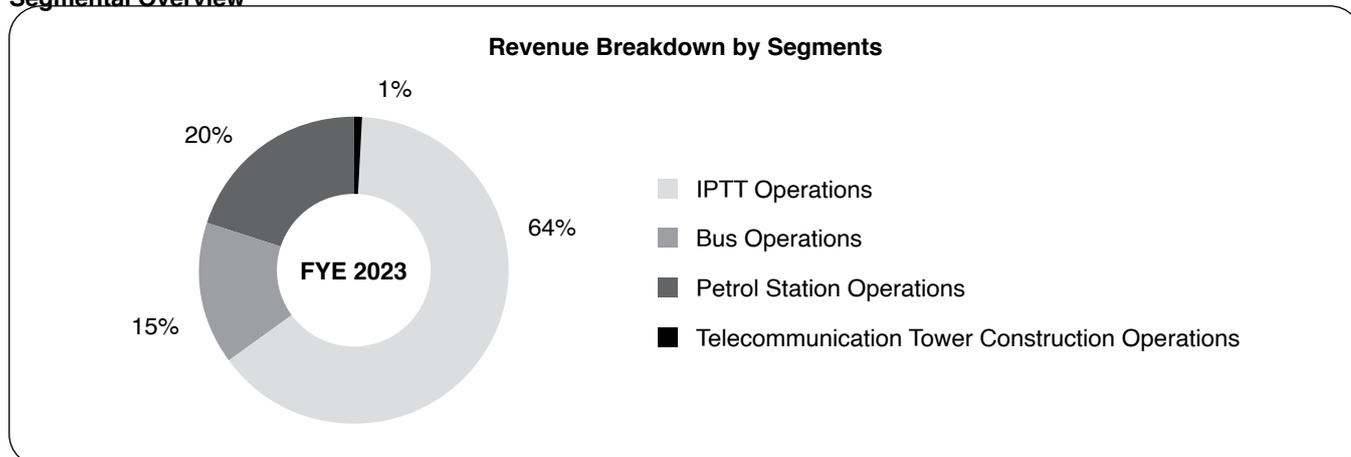
The current assets of the Group consist of inventories, trade receivables, other receivables, contract assets, other assets, current tax assets, fixed deposits with licensed banks and cash and bank balances. The current assets for FYE 2023 increased to RM123.22 million from RM81.34 million in FYE 2022, which was mainly due to the increase in fixed deposits with licensed banks and cash and bank balances to RM87.52 million (FYE 2022: RM49.00 million).

The non-current liabilities consist of non-current portion of borrowings, non-current portion of deferred capital grant and deferred tax liabilities. The non-current liabilities for FYE 2023 increased to RM530.37 million (FYE 2022: RM328.13 million) mainly due to the increase in the non-current portion of borrowings resulted from the drawdown of the Sukuk Murabah Programme of RM250 million during FYE 2023 to finance the construction costs of the new Tronoh Sentral.

The current liabilities of the Group consist of trade payables, other payables, current portion of borrowings, current portion of deferred capital grant, other liabilities and current tax liabilities. The major contributor to the current liabilities is borrowings of RM57.30 million (FYE 2022: RM48.68 million).

The equity of the Group consists of share capital, treasury shares, revaluation reserve, retained earnings and non-controlling interests. The major contributor of the equity is share capital of RM350.10 million (FYE 2022: RM328.12 million).

### Segmental Overview



#### IPTT Operations Segment

	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	109,881	110,906

The IPTT operations recorded revenue of RM110.91 million, which represents the largest contributor to the Group at 64.0% of the total revenue recorded in FYE 2023. The revenue from this segment improved by RM1.03 million or 0.9% compared to RM109.88 million in FYE 2022 mainly due to a higher contribution from project facilitation fee resulting from higher gross development cost projects completed during the year.

#### Bus Operations Segment

	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	25,319	25,787

The Group's revenue from bus operations segment increased 1.8% from RM25.32 million in FYE 2022 to RM25.79 million in FYE 2023 mainly attributable to a higher contribution from Interim Stage Bus Support Fund programme and contracted services during the year.



## MANAGEMENT DISCUSSION AND ANALYSIS

### Petrol Station Operations Segment

	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	35,475	33,850

The Group's revenue from petrol station operations declined 4.6% from RM35.48 million in FYE 2022 to RM33.85 million in FYE 2023. The decline in revenue was mainly due to a lower fuel sales volume recorded in FYE 2023.

### Telecommunication Tower Construction Operations Segment

	FYE 2022 (RM'000)	FYE 2023 (RM'000)
Revenue	201	2,622

The revenue from the telecommunication tower construction operations increased by over 100% to RM2.62 million in FYE 2023 compared to RM0.2 million in FYE 2022, mainly attributable to more telecommunication tower projects being secured and completed during the year.

### DIVIDEND

In line with the good performance of the Group for FYE 2023, the Board of Directors ("**Board**") had declared the following single tier dividends in respect of FYE 2023:

- A first interim dividend of RM0.0075 per share, paid on 19 May 2023 (FYE 2022: RM0.008 per share, paid on 20 May 2022)
- A second interim dividend of RM0.0075 per share, paid on 21 August 2023 (FYE 2022: RM0.0075 per share, paid on 22 August 2022)
- A third interim dividend of RM0.0075 per share, paid on 15 November 2023 (FYE 2022: RM0.0075 per share, paid on 15 November 2022)
- A fourth interim dividend of RM0.0075 per share, paid on 14 February 2024 (FYE 2022: RM0.0075 per share, paid on 22 February 2023)

The Board does not recommend the payment of any final dividend in respect of FYE 2023. The total dividends for FYE 2023 are RM0.03 per share (FYE 2022: RM0.0305 per share) and the total dividends declared and paid in respect of FYE 2023 were approximately RM21.93 million (FYE 2022: RM20.83 million).

### ANTICIPATED OR KNOWN RISK

#### Operational, competition and business risks

Some of the generic business risks that are inherent within the industry and may affect the Group include, among others, increased competition over costing and pricing, labour shortages, increases in labour costs, equipment and electricity tariffs as well as changes in general economic, business, credit and interest rate conditions and changes in the legal and environmental framework within which the industry operates.

Whilst noting that borrowing is essential to finance the Group's operations and growth, efforts are being made to minimise the risk of fluctuations of interest rates.

#### Dependency on key personnel

The continued success of the Group depends, to a significant extent, on the abilities and continued efforts of the directors and key management personnel and the Group's ability to attract and retain these individuals. A loss, without a suitable replacement in a timely manner could affect the Group's ability to remain competitive in the industry.

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS STRATEGIES AND OUTLOOK

The Group has continued to experience strong passenger footfall during the year given the normalisation of travelling behaviour post-pandemic. In FYE 2023, the Group has facilitated 1,615,441 passengers under its bus operations, which represents an increase of 7% from prior year of 1,506,272 passengers, to carry out daily economic activities including work, business and purchase of daily necessities. The Group expects the total number of passengers to continue its growth in 2024, driven by higher transportation demand in 2024.

Kampar Putra Sentral, which commenced operations in September 2020, experienced a total passenger footfall for the FYE 2023 of 16,466 ticket-purchasing passengers (FYE 2022: 18,717 ticket-purchasing passengers). Kampar Putra Sentral offers a one-stop convenient public bus terminal together with retail outlets, eateries, cinema, bowling, badminton courts, hotel and ballroom to both local residents and students. With its strategic location positioned in Kampar which allows the terminal to facilitate students from various education institutes, namely Universiti Tunku Abdul Rahman, Tunku Abdul Rahman University College, the Group is optimistic to see more footfall traffic and passengers facilitated at the terminal. The Group is also pleased to highlight that the cinema and badminton operations have commenced in June and July 2023 respectively, while the bowling and go kart operations began in January 2024. The introduction of these new tenants is expected to attract higher footfall to Kampar Putra Sentral. Additionally, Kampar Putra Sentral has transitioned from a third-party terminal management system to a new in-house PTRANS Terminal Management System ('PTMS'), to digitalise and enhance passengers' ticketing and boarding experience. This new management system will be implemented in other terminals managed by the Group in the future.

In line with the Group's business objective to develop, own and operate IPTTs in underserved locations, the construction work of the Group's third terminal, Bidor Sentral has been completed and is now pending the obtainment of its Certificate of Completion and Compliance. Bidor is an important turn off from the North South Expressway to reach the coastal districts of southern and central Perak and the Group is optimistic that the development of Bidor Sentral will contribute positively to the Group's earnings. The Group has also secured a tenancy agreement with TF Value-Mart Sdn Bhd ("**TFVM**") to operate a supermarket business in Bidor Sentral. In collaboration with TFVM which will be a key anchor tenant for Bidor Sentral, it allows the Group to provide essential shopping experience to the customers, while attracting more footfall traffic to Bidor Sentral. An investment tax allowance of 50% on qualifying capital expenditure for the development of Bidor Sentral was granted by the Ministry of Finance Malaysia, which can be deducted against 50% of the statutory income for the year of assessment in respect of bus terminal activities only, subjected to further conditions.

The Group is also actively seeking new third-party terminal management services to grow this asset light business, as seen from the collaboration to operate Terminal Sentral Kuantan and Terminal Bas Shahab Perdana in Pahang and Kedah respectively. The provision of terminal management services together with the ongoing expansion of the Group to develop, own and operate IPTTs will help the Group to expand further.

In line with the Group's proactive business transformation to grow its business, the Group has inked a deal with edotco Malaysia Sdn Bhd's fellow subsidiaries to provide construction and engineering services for the building of telecommunication towers. As at 31<sup>st</sup> January 2024, the Group has completed five (5) telco towers and has an existing orderbook of four (4) telco towers, and this is expected to contribute to the segment's revenue in the following quarters. This new business segment is in line with the Group's strategy to pursue new opportunities to increase its revenue stream, and to diversify its earnings base and reduce dependency on its existing business.

As part of the Group's Environment, Social and Governance ('ESG') transformation blueprint, the Group has entered into a Supply Agreement for Renewable Energy with Tenaga Nasional Berhad and GSPARX Sdn Bhd to install solar photovoltaic ("**Solar PV**") energy generating system at our designated sites with zero capital expenditure to the Group. The agreement illustrated the Group's initiatives to utilise more green energy, while reducing the Group's carbon footprint and generating future energy cost savings. The Group has completed the Solar PV installation at Terminal Meru Raya, Kampar Putra Sentral and all petrol stations, which is expected to contribute to some energy and cost savings to the Group in the following quarters.

Additionally, with efforts to modernise the Group's urban transportation services, the Group is also finalising the acquisition of electrical buses and provision of electric vehicle charging stations which is in line with the Group's green initiatives.

The Group is optimistic that the proactive business transformations and efforts to drive more innovative leasing solutions will continue to drive the growth in the near future.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors (“**Board**”) of Perak Transit Berhad (“**Company**”) acknowledges the importance of the principles, intended outcomes and practices for good corporate governance set out in the Malaysian Code on Corporate Governance (“**MCCG**”) and is committed to ensure good corporate governance is practiced and applied throughout the Company and its subsidiaries (“**Group**”), in order to promote a holistic adoption of corporate governance practices and culture within the Group, as a fundamental part of discharging its responsibilities to protect and enhance shareholders’ value and other stakeholders’ interest.

The Board is pleased to present to the shareholders the Corporate Governance Overview Statement which provides an overview of the Company’s commitment to apply the principles and practices with reference to the three (3) principles set out in the MCCG, except where stated otherwise, during the financial year ended 31 December 2023 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 made in compliance with Bursa Malaysia Securities Berhad’s (“**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.peraktransit.com.my](http://www.peraktransit.com.my).

### SECTION 1: 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 development and control of the Group.

As at the date of this Statement, the Board has seven (7) members comprising two (2) executive directors, including the Managing Director, and five (5) independent non-executive directors. More than half of the Board members are independent non-executive directors as recommended under Practice 5.2 of the MCCG for more effective oversight of management.

No new appointments were made during the financial year as the Board considered its composition balance and its members have collectively possessed the appropriate competencies and attributes that enable the Board to discharge its responsibilities effectively, contribute to the Company’s strategic direction and oversee the delivery of its corporate objectives.

The balanced Board composition enabled the Board to provide clear and effective leadership to the Group and to bring informed and independent judgement to many aspects of the Group’s strategy and performance to ensure that the Group maintains the highest standard of conduct and integrity.

The profile of the Board members is set out on pages 6 to 9 of this Annual Report.

The functions reserved for the Board are clearly stated in the Board Charter adopted by the Board besides the discharge of the Board members’ fiduciary duties.

#### Board Charter

The Board has adopted a Board Charter which sets out the Board structure, Board roles, Board meetings and procedures, access to information, company secretary and independent advice, relationship with shareholders and investors, Board evaluation and performance to ensure that all members of the Board are aware of their duties and responsibilities as Board members.

The Board reviews the Board Charter from time to time to ensure its relevance in assisting the Board to discharge its duties in accordance to the Listing Requirements and current regulations and any new regulations that may have an impact on the discharge of the Board’s objectives and responsibilities.

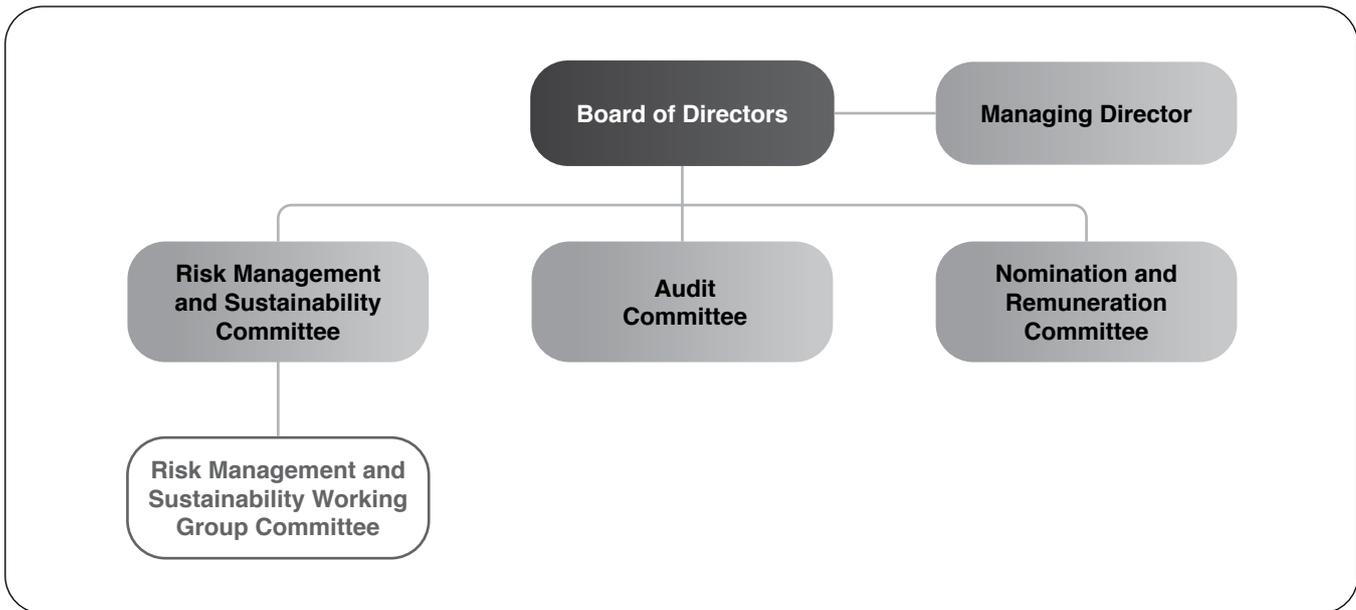
The details of the Board Charter are available for reference on the Company’s website at [www.peraktransit.com.my](http://www.peraktransit.com.my).

To assist the Board in the discharge of its responsibilities, the Board delegates specific duties and responsibilities to three (3) Board Committees, namely the Audit Committee, the Nomination and Remuneration Committee and the Risk Management Committee, which operate within defined terms of reference. The Chairman of the respective committees reports to the Board on the matters considered and their recommendation thereon. The ultimate responsibility for the final decision on all matters, however, lies with the Board.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

On 22 February 2024, the Board approved the change of name of the 'Risk Management Committee' to 'Risk Management and Sustainability Committee' to better reflect the expanded duties and responsibilities to assist the Board in fulfilling its oversight in relation to the Group's sustainability strategy and initiatives covering environmental, social and economic responsibilities as well as the related sustainability practices in the businesses.

The governance structure of the Board is as follows:



### Board Meetings

During the financial year 2023, the Board held four (4) scheduled meetings on 22 February 2023, 22 May 2023, 16 August 2023 and 15 November 2023. All meetings are scheduled in advance at the end of the previous financial year to enable the directors to plan their schedule ahead for the new financial year. At the scheduled meetings, the Board promoted good corporate governance culture, reviewed and deliberated on strategic plan, major operational and financial performance, corporate proposals, risk management and internal control, internal audit findings, significant issues and opportunities, and their effective communication and consistent disclosure for the Company and the Group.

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

	Attendance in 2023
Tan Sri Dato' Chang Ko Youn (Chairman)	4/4
Dato' Sri Cheong Kong Fitt	4/4
Dato' Cheong Peak Sooi	4/4
Dato' Haji Mohd Gazali Bin Jalal	4/4
Mr Ng Wai Luen	4/4
Puan Azian Binti Kassim	4/4
Puan Zalinah Binti A Hamid	4/4



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### **The Board Chairman**

Tan Sri Dato' Chang Ko Youn is the 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, Tan Sri Dato' Chang Ko Youn being the Chairman of the Board, is not involved in any of the Board Committees. This has prevented any risk on self-review and impair on objectivity when deliberating on the observations and recommendations put forth by the Board Committees and to ensure that there is appropriate check and balance as well as objective review by the Board.

The roles and responsibilities of the Chairman include:

- a) Providing leadership to the Board to ensure the Board performs its duties effectively;
- b) Instilling good corporate governance practices in the Company;
- c) Leading the discussions in Board meetings to ensure the views and opinions from all parties are taken into account before arriving at a decision;
- d) Encouraging active participation in Board meetings and allowing dissenting views to be freely expressed and considered; and
- e) Ensuring appropriate steps are taken to facilitate communication with stakeholders and ensuring that their views are communicated to the Board.

Together with the Board, the Chairman oversees to ensure that the management team implements the strategic plans of the Company in the direction set by the Board, and to meet the objectives and targets of the Company.

### **Separation of Roles between the Chairman and the Managing Director**

Dato' Sri Cheong Kong Fitt, the Managing Director, leads the management team. There is a clear division of responsibility between the Chairman and the Managing Director.

The Managing Director, supported by his management team, is responsible for the day-to-day management of the business operations of the Group and implementation of the Board's policies and decisions. The Managing Director also assesses business opportunities which are of potential benefit to the Company and the Group. The Managing Director is accountable to the Board.

### **Company Secretary**

The Board is supported by an experienced and competent Company Secretary who is qualified to act as company secretary under Section 235(2) of the Companies Act 2016. The Company Secretary reports directly to the Board and plays an advisory role to the Board and Board Committees, particularly regarding their policies and procedures and the Company's compliance with regulatory requirements, rules, guidelines and legislations, 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 the meetings of the Board and Board Committees and ensure that meeting procedures are followed and deliberations and proceedings at the meetings are accurately recorded and well-documented. The draft minutes are circulated to the Board and Board Committee members for their review and comments, before tabling them for approval at the next meeting. The Company Secretary also ensures that all resolutions of the Board and Board Committees are properly drafted and maintained.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Supply of Information

Each member of the Board and Board Committees receives the agenda of the respective meeting, followed by a full set of meeting papers at least five (5) days prior to the meeting. The meeting papers contain a comprehensive summary of the topics to be tabled for discussion at the respective meeting, including the background, rationale, risk factors and relevant reports to support the management's recommendation. This enables the directors to have sufficient time to review the meeting materials to understand and evaluate the matters to be discussed and seek clarification before attending the meeting to contribute constructively during the meeting.

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

### Meetings of the Board and Board Committees

The Board Committee meetings are conducted separately from the Board meeting to facilitate objective and independent discussions during the meetings. The Audit Committee and Nomination and Remuneration Committee meetings are conducted without the presence of executive directors, in view that both committees comprise wholly of independent directors.

At the Board meeting, the respective chairman of the Board Committees gives an update of the discussions and decisions made by the Board Committee to apprise all Board members on the same.

### Code of Conduct

The Board has adopted a Code of Conduct which sets out the principles and standards of business conduct of the Group. The Code of Conduct is to assist and guide all directors, officers and employees (including full time, probationary, contract and temporary staff) of the Group in defining the ethical standards and business conduct at work, which collectively leads to and is responsible for the success of the Group.

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

### Anti-Corruption and Anti-Bribery Policy

The Board has adopted an Anti-Corruption and Anti-Bribery Policy across the Group which outlines the Group's position on anti-corruption and anti-bribery behaviour, 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 that are guided by the Guidelines on Adequate Procedures issued pursuant to subsection (5) of section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018.

The Board reviews the Anti-Corruption and Anti-Bribery Policy from time to time to ensure its relevance and to assess its effectiveness, and in any event, at least once every three (3) years. On 1 October 2023, the Board introduced the Employee's Anti-Corruption and Anti-Bribery Declaration to promote and facilitate employees, managerial and non-managerial level, to make declaration when the amount of gift/token or meal treats received by them exceeds a stated monetary threshold.

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



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### **Whistle Blowing Policy**

The Board has established a Whistle Blowing Policy to promote and support its culture of honest and ethical behaviour. The policy encourages the employees to raise any concerns and report instances of unethical, illegal or fraudulent behaviour or any other matter that may contravene the Company's Code of Conduct, Anti-Corruption and Anti-Bribery Policy or prevailing regulations and laws.

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 when deemed necessary to ensure it remains relevant and appropriate, and in any event, at least once every three (3) years. On 15 November 2023, the Board has approved the amendment to the Whistle Blowing Policy to stipulate the required timing of the review of the policy.

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

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

The Board has in place a Directors' Fit and Proper Policy which sets out the fitness and propriety for the appointment and re-election of directors and to ensure that each of the director has the character, integrity, experience, competence and time to effectively discharge his or her role as a director of the Group in tandem with good corporate governance practices.

The Board reviews the Directors' Fit and Proper Policy when deemed necessary to ensure it remains relevant and appropriate.

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

### **Tenure of Independent Directors**

In determining the independence of individual directors, the Board, through the Nomination and Remuneration Committee, conducts assessment on the independent directors of the Company annually. In addition, each independent director is required to declare his or her independence annually. Apart from that, their independence is also assessed based on whether they can act independently of management.

Pursuant to the provisions of Practice 5.3 of the MCCG, the tenure of an independent director should not exceed a cumulative term limit of nine (9) years. The Board has not adopted a formal policy which limits the tenure of its independent directors to nine (9) years. Upon completion of the nine (9) years, an independent director may continue to serve on the Board as a non-independent director. If the Board intends to retain an independent director beyond nine (9) years, it should justify and seek annual shareholders' approval through a two-tier voting process.

All five (5) independent directors' tenure have yet to exceed the cumulative term of nine (9) years as at the end of the financial year 2023.

### **Diversity at the Board and Senior Management**

The Board recognises the importance of diversity in determining the ideal composition of the Board and amongst its workforce, including but not limited to race, ethnicity, age, gender, skills, experience, exposure and competencies.

The Board has adopted a Gender Diversity Policy with effect from 23 November 2022 which serves as a guideline for the Group to promote gender diversity in workplace and to support women participation on the Board and within the senior management of the Group as to be in line with the MCCG. The objective of the policy is to assist the Board to build a diverse workplace with the aim to achieve at least 30% women participation in the Boardroom and within the senior management team.

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 has two (2) female directors out of a total of seven (7) directors, representing approximately 28.57% of women participation in the boardroom. The Board will actively work towards identifying more suitable female directors to be appointed to the Board by sourcing from independent search firms and through advertising or other mediums available. The Board recognises that the evolution of the diversity is a long process and weighs the various factors relevant to Board balance and diversity when vacancies arise.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The position of the Company's Chief Financial Officer, a senior management position, is held by a woman. The Company has achieved a 44% female employees' participation in the senior management level at the end of the financial year 2023. It is the Company's aim to increase the participation of women in the management to promote diversity and ensure a healthy talent pipeline and succession.

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 background to provide for a collective range of skills, expertise and experience which are relevant to support the growth and cope with the complexities of the Group's businesses.

The Board reviews the Gender Diversity Policy when deemed necessary to ensure it remains relevant and appropriate.

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

### Sourcing and Nomination of Board Members

The Board, through the Nomination and Remuneration Committee, continuously reviews the composition of the Board and source 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 proposing new 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.

As recommended by the MCCG, none of the Board members are active politicians, heads of state, heads of government and ministers as this would impair the independence of their judgment in carrying their duties as a director.

### Nomination and Remuneration Committee

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

During the financial year 2023, the Nomination and Remuneration Committee held two (2) meetings on 22 February 2023 and 15 November 2023.

The attendance of the members is as follows:

	Attendance in 2023
Dato' Haji Mohd Gazali Bin Jalal (Chairman)	2/2
Mr Ng Wai Luen	2/2
Puan Azian Binti Kassim	2/2

The activities carried out by the Nomination and Remuneration Committee during the financial year 2023, amongst others, include recommendations to the Board on the following matters:

- (a) Reviewed the training attended by the directors in the financial year 2022 to ensure they have received appropriate continuous training;
- (b) Reviewed and recommended the executive directors' salaries for the financial year 2024 and the discretionary bonus for the financial year 2022;
- (c) Reviewed and recommended the non-executive directors' fees and benefits packages for the duration from the commencement of the forthcoming Annual General Meeting ("AGM") to be held in 2024 until the conclusion of following AGM to be held in 2025;
- (d) Evaluated and assessed the Audit Committee as a whole and each of its individual members;
- (e) Evaluated and assessed the Board as a whole and each individual director; and
- (f) Reviewed and assessed the performance of directors seeking re-election at the forthcoming AGM, and recommended to the Board for its endorsement.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

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

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

The areas covered by the annual assessment 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 composed of directors with 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

Based on the results of the annual assessment, the directors had evaluated and agreed that the Board structure is efficient and the performance of the Board is generally good. The Nomination and Remuneration Committee was satisfied that the Board is composed of directors with appropriate mix of skill and experience, has sufficient level of involvement and deliberation of relevant issues and has put in place adequate risk management procedures.

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

The overall results of the evaluation process and the improvements recommended thereon are 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 appropriate mix of skill and experience, has 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.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Directors' Training

All directors have attended and completed the Mandatory Accreditation Programme and a majority of the directors have attended the Mandatory Accreditation Programme Part II prescribed by Bursa Securities. The directors are encouraged to continuously update their knowledge and enhance their skills through appropriate continuing education programmes and life-long learning. This will enable the directors to effectively discharge their duties and sustain active participation in the Board's deliberations.

The Board shall also on continuous basis, evaluate and determine the training needs of its directors. The subject matter of training must be one that aids the director in discharging his or her duties as a director.

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

Tan Sri Dato' Chang Ko Youn	<ul style="list-style-type: none"> <li>Recover, Reset, Resilience - Unlocking Prosperity in the Darul Ridzuan State</li> <li>Intangible Asset Finance &amp; Valuation Business Forum</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Dato' Sri Cheong Kong Fitt	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Dato' Cheong Peak Sooi	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Dato' Haji Mohd Gazali Bin Jalal	<ul style="list-style-type: none"> <li>Competency Based Interview (CBI) and Service Matters</li> <li>Sustainability in the Digital Age</li> </ul>
Mr Ng Wai Luen	<ul style="list-style-type: none"> <li>Tax and Business Summit 2022</li> <li>Introduction to Environmental, Social &amp; Governance (ESG) and Sustainable Finance</li> <li>Essential Tax Strategies for Manufacturing &amp; Agricultural Companies</li> <li>Embracing ESG in Value Creation</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Puan Azian Binti Kassim	<ul style="list-style-type: none"> <li>Invest Malaysia</li> <li>KL Forum</li> <li>Invest Malaysia – Launch of the National Energy Transition Roadmap</li> <li>Women in Rail Malaysia Conference 2023</li> </ul>
Puan Zalinah Binti A Hamid	<ul style="list-style-type: none"> <li>Capital Market Director Programme (“<b>CMDB</b>”) Module 1 – Directors as Gatekeepers of Market Participants</li> <li>CMDB Module 2B – Business Challenges and Regulatory Expectations (Fund Management)</li> <li>CMDB Module 2A – Business Challenges and Regulatory Expectations (Equities and Future Broking)</li> <li>CMDB Module 3 – Risk Oversight and Compliance Action Plan for Board of Directors</li> <li>Invest Malaysia</li> <li>CMDB Module 4 – Emerging and Current Regulatory Issues in Capital Market</li> <li>2H Market Outlook</li> <li>The Cooler Earth Sustainability Summit 2023</li> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>

### Remuneration Policy and Procedure

The Board, through the Nomination and Remuneration Committee, establishes a transparent procedure for developing a policy on the remuneration packages of the executive and non-executive directors of the Company benchmarked against industry standards and market competitiveness considering the performance of the Group in the industry.

The Nomination and Remuneration Committee that comprises solely of independent non-executive directors review the salaries, fees, meeting allowance and other benefits for the executive and non-executive directors. The decision to determine the level of remuneration shall be the responsibility of the Board after considering recommendations from the Nomination and Remuneration Committee. In addition, the fees of non-executive directors shall be subject to the ultimate approval of 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's performance. The Company intends to adopt and implement its remuneration policies and procedures for directors and senior management, which will be made available at the Company's website once it is approved.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Directors' Remuneration

The Board noted that the MCCG recommends the disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salaries, bonus, benefits in-kind and other emoluments.

Accordingly, the aggregate remuneration of the directors received/receivable from the Company and the Group, categorised into appropriate components, for the financial year 2023 is as follows:

#### Received from Company

(in RM)	Fees	Salaries and other emoluments	Bonus	Benefits in-kind	Meeting allowance	Total
<b>Executive directors</b>						
Dato' Sri Cheong Kong Fitt	-	87,520	-	-	4,000	91,520
Dato' Cheong Peak Sooi	-	74,400	-	5,300	4,000	83,700
<b>Non-executive directors</b>						
Tan Sri Dato' Chang Ko Youn	66,000	160	-	-	4,000	70,160
Dato' Haji Mohd Gazali Bin Jalal	54,000	160	-	-	4,000	58,160
Mr Ng Wai Luen	54,000	520	-	-	4,000	58,520
Puan Azian Binti Kassim	54,000	520	-	-	4,000	58,520
Puan Zalinah Binti A Hamid	54,000	160	-	-	4,000	58,160

#### Received on Group basis

(in RM)	Fees	Salaries and other emoluments	Bonus	Benefits in-kind	Meeting allowance	Total
<b>Executive directors</b>						
Dato' Sri Cheong Kong Fitt	-	695,100	93,450	5,300	4,000	797,850
Dato' Cheong Peak Sooi	-	555,414	77,250	5,300	4,000	641,964
<b>Non-executive directors</b>						
Tan Sri Dato' Chang Ko Youn	66,000	160	-	-	4,000	70,160
Dato' Haji Mohd Gazali Bin Jalal	54,000	160	-	-	4,000	58,160
Mr Ng Wai Luen	54,000	520	-	-	4,000	58,520
Puan Azian Binti Kassim	54,000	520	-	-	4,000	58,520
Puan Zalinah Binti A Hamid	54,000	160	-	-	4,000	58,160

### Senior Management's Remuneration

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

The Board considered the information required of the top senior management's remuneration to be sensitive and proprietary in nature. The Board is of the view that the non-disclosure on named basis of the remuneration of the top 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 senior management.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### Sustainability of Business

The Board recognises that it is important to integrate sustainability practices into the businesses of the Group and the sustainability practices are crucial for the Group to achieve continuous sustainable long-term growth. As such, the Board is committed to operate its business in accordance with economic, environmental and social responsibilities.

Moving forward, the Board endeavours to be involved in setting the Group's sustainability strategies, priorities and targets and take necessary steps to ensure that these targets are made known to the internal and external stakeholders.

The enlargement of the role of the Risk Management Committee, now renamed Risk Management and Sustainability Committee, will assist the Board in fulfilling its oversight in relation to the Group's sustainability strategy and initiatives.

The Managing Director, via the Risk Management and Sustainability Working Group Committee, will be designated to manage the sustainability issues of the Group by integrating them into the day-to-day operations of the Group. This is to promote accountability among the Board and senior management on sustainability issues concerning the Group, which is crucial for the long-term growth of the Group.

The details of the Sustainability Statement is set out on pages 31 to 73 of this Annual Report.

## SECTION 2: EFFECTIVE AUDIT AND RISK MANAGEMENT

### Audit Committee

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

To ensure transparency and objectivity in the discussions and decisions of the Audit Committee, the Chairman of the Audit Committee is not the Chairman of the Board. 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, the process of monitoring compliance with laws and regulations and review any conflict of interest situations and related party transactions.

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 financials.

The role and summary of the activities of the Audit Committee are described in more details in the Audit Committee Report set out on pages 74 to 78 of this Annual Report.

### Financial Reporting

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

The Statement of Directors' Responsibility in relation to the preparation of the annual audited financial statements of the Company and of the Group is set out on page 83 of this Annual Report.

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

### Assessment of Suitability and Independence of External Auditors

The primary purpose of an audit is to provide shareholders with an expert, independent opinion as to whether the financial statements of the Company reflect a true and fair view of the financial position of the Company. The external auditors should be independent from the Company so that their audit opinion will not be influenced by any relationship between both parties.

The Audit Committee is assigned to assess, review and supervise the performance, suitability, objectivity and independence of the external auditors of the Company, Messrs Moore Stephens Associates PLT ("**Moore**"). The Audit Committee maintains a transparent and professional relationship with the external auditors.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

In determining the independence of the external auditors, Moore, the Audit Committee has carried out a review and assessment of the suitability, objectivity and independence of the external auditors based on the following:

- the performance, technical competency, 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 independence criteria set out by the By- Laws (on Professional Conduct and Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards).

Based on the annual assessment, the Audit Committee is satisfied as to the suitability, objectivity, independence, technical competency and professionalism demonstrated by Moore which were in accordance with paragraph 15.21 of the Listing Requirements. 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 shareholders' approval at the forthcoming AGM on the re-appointment of Moore as external auditors of the Company for the financial year 2024.

The terms of reference of the Audit Committee provided that a former partner of the external audit firm to observe a cooling-off period of at least three (3) years before being appointed as a member of the Audit Committee. The Company intends to adopt a formal policy moving forward. Nonetheless, none of the Audit Committee members is a former partner of the Company's external audit firm.

### **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 has formed the Risk Management and Sustainability Committee in fulfilling its responsibilities in the risk governance and oversight functions to identify the risks and assess the findings in order to better manage the overall risk exposure of the Group. The formation of the Risk Management and Sustainability Committee allows the members to have more time to deliberate various risk issues affecting the Group at length and report any significant issues to the Board.

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 79 to 82 in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

### **Risk Management Committee**

The Risk Management Committee comprises three (3) members, two (2) of them are independent non-executive directors and one (1) is an executive director. More than half of the Risk Management Committee members are independent directors as recommended under Practice 10.3 of the MCGG.

The Risk Management Committee primarily assists the Board in overseeing the risk management framework and reviewing the effectiveness of overall risk management of the Group. The significant risks identified for the Group and the findings highlighted by the Risk Management Working Group Committee, formed at management level and headed by the Managing Director, is placed under the purview of this Committee.

During the financial year 2023, the Risk Management Committee held two (2) meetings on 22 February 2023 and 15 November 2023.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The attendance of the members is as follows:

	<b>Attendance in 2023</b>
Mr Ng Wai Luen (Chairman)	2/2
Dato' Cheong Peak Sooi	2/2
Puan Azian Binti Kassim	2/2

The activities carried out by the Risk Management Committee during the financial year 2023, amongst others, include recommendations to the Board on the following matters:

- (a) Reviewed the reports from the Risk Management Working Group Committee and the risks areas identified;
- (b) Reviewed the Statement on Risk Management and Internal Control before recommending the statement and report to the Board for consideration and approval for inclusion into the Annual Report; and
- (c) Reviewed the meeting plan of the Risk Management Working Group Committee.

The Risk Management Committee received briefings on seven (7) risk factors highlighted by the Risk Management Working Group Committee in relation to the integrated public transportation terminal operations, bus operations, petrol station operations, human resources, finance, construction of Bidor Sentral and the new risk, telecommunication tower construction operations. All of the risk factors highlighted were rated either minor or moderate and the appropriate risk mitigation strategies have been put in place by the management.

### **Internal Audit Function**

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. The Company has outsourced the internal audit function to an independent professional service firm, JWC Consulting Sdn Bhd, to carry out independent internal audit services for the Company and the Group. The internal auditors report directly to the Audit Committee, allowing them to operate independently of management to ensure their analyses, judgements and reports are free from bias or undue influence.

The summary of the internal audit activities during the financial year are set out in the Audit Committee Report on pages 74 to 78 in this Annual Report.

## **SECTION 3: 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 Investor Relations Policy and Corporate Disclosure Guide introduced by Bursa Securities whilst adhering with the corporate disclosure requirements as set out in the Listing Requirements.

Announcements via Bursa LINK of Annual Reports, quarterly interim financial reports, corporate proposals and major business transactions provide the shareholders and the investing public with an overview of the Group's performance, operations and directions. Members of the public can obtain the Annual Reports, full financial results, quarterly interim financial reports and the Company's announcements on the Company's website at [www.peraktransit.com.my](http://www.peraktransit.com.my). Notices of meetings of members and minutes of meetings of members are also available on the Company's website.

The Board has designated Tan Sri Dato' Chang Ko Youn as the representative of the Board of the Company to whom shareholders may address their concerns relating to the Group. Shareholders are also encouraged to direct their queries by way of correspondence in writing or through email to [changkyjg@peraktransit.com.my](mailto:changkyjg@peraktransit.com.my).



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### **Conduct of Meetings of Members**

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

In line with paragraph 8.29A(1) of the Listing Requirements, all resolutions set out in the notice of meetings of members of the Company are to be conducted by poll and an independent scrutineer is appointed to monitor the conduct of polling for each meeting of members.

The Constitution of the Company provides that meetings of members of the Company may be held using any technology or electronic means. Since the Covid-19 pandemic, the Company has been conducting its AGM and Extraordinary General Meeting virtually to ensure continued shareholders engagement, even from a remote location. The 14th AGM was held virtually on 22 May 2023.

The Board encourages participation from shareholders by having a question-and-answer session during the meetings of members. The directors, Chief Financial Officer and advisors are available to provide feedbacks, clarifications and responses to the questions raised by the shareholders during the meetings. The virtual meeting platform allows shareholders to pose questions before and during the meeting. During the meeting, the Chief Financial Officer replied to all the queries received from the shareholders on matters relevant to the resolutions to be considered at the meeting, ensuring that each question receives a meaningful response from the management.

The minutes of the general meetings were published on the Company's website no later than 30 business days after each general meeting.

### **Compliance Statement**

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

## ADDITIONAL DISCLOSURE REQUIREMENT

### i) Utilisation of Proceeds

#### Private Placement

The gross proceeds generated from private placement amounted to RM38.08 million and the status of the utilisation of the proceeds as at 31 December 2023 are as follows:

Purpose	Intended utilisation RM'000	Actual utilisation to-date RM'000	Deviation		Intended timeframe for utilisation (from date of listing of the placement shares)
			RM'000	%	
Urban Transport Electrification Projects	5,184	-	-	-	Within 36 months
Terminal management services projects	6,750	-	-	-	Within 24 months
Partial construction cost for Bidor Sentral	13,500	13,500	-	-	Within 12 months
General working capital	12,000	11,968	32	0.27	Within 12 months
Estimated expenses for the Proposed Private Placement	650	682	(32)	(4.92)	Within 1 month
<b>Total</b>	<b>38,084</b>	<b>26,150</b>	<b>-</b>		

The utilisation of the proceeds as disclosed above should be read in conjunction with the Announcements of the Company dated 15 April 2022 and 21 April 2022.

The actual amount of expenses incurred for the Proposed Private Placement was RM0.68 million, which was slightly higher than the estimated expenses of RM0.65 million. This was mainly due to the actual placement fees and other incidental expenses incurred which were slightly higher than the budgeted amount allocated for the Proposed Private Placement. The variation in the actual amount of expenses for the Proposed Private Placement were adjusted from the amount allocated for the general working capital of the Group.

### ii) Audit and Non-Audit Fees

The audit and non-audit fees to the external auditors and their affiliates for services rendered during the financial year ended 31 December 2023 ("FYE 2023") are as follows:

FYE 2023	Company (RM'000)	Group (RM'000)
Audit	55	169
Non-Audit	43	260

The non-audit fees included review of Statement on Risk Management and Internal Control, and corporate tax and tax advisory services.

### iii) Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving directors' or major shareholders' interests that were still subsisting at the end of the FYE 2023 or, if not then subsisting, entered into since the end of previous financial year.

### iv) Recurrent Related Party Transactions

During the FYE 2023, the Company did not seek mandate from shareholders for the Company and its subsidiaries to enter into recurrent related party transactions of revenue or trading nature as there are no recurrent related party transactions which exceeded the materiality threshold stated in paragraph 10.09(1) of the Bursa Securities' Main Market Listing Requirements.



## SUSTAINABILITY STATEMENT

Perak Transit Berhad (“Perak Transit” or “Company”) and its subsidiaries (“Group”) remains steadfast in its vision towards achieving sustainable long-term growth by incorporating the factors Economic, Environmental, Social and Governance into our journey. The Sustainability Statement outlines the Group’s practices and approaches in sustainability management and its progress towards a sustainable future.

### STATEMENT OVERVIEW

#### Reporting Period and Cycle

This statement covers the financial year from 1 January 2023 to 31 December 2023 (“FYE 2023”) and is reported on an annual basis. Data and information from the previous years have been included, where possible.

#### Reporting Scope

This statement encompasses all business operations of the Group within the geographic scope of Malaysia. Our divisions covered are integrated public transportation terminal operations, bus operations, petrol station operations and telecommunication tower construction operations.

We have expanded the reporting scope to include telecommunication tower construction operations as this segment has contributed full year in FYE 2023 since its commencement in October 2022.

#### Reporting Framework

This statement has been prepared in accordance and reference to:

- Main Market Listing Requirements issued by Bursa Malaysia Securities Berhad (“**Bursa Malaysia**”) and its Practice Note 9;
- Bursa Malaysia’s Sustainability Reporting Guide and Toolkits 3rd Edition;
- Malaysian Code on Corporate Governance;
- Global Reporting Initiative (“**GRI**”) Standards;
- United Nations Sustainable Development Goals (“**UN SDGs**”); and
- FTSE4Good Bursa Malaysia Index requirements (“**FTSE4Good**”).

#### Assurance

This statement has not been externally assured. Nonetheless, the content of this statement has been internally audited by our internal auditor and approved by our Board of Directors (“**Board**”). We will consider obtaining external assurance for our Sustainability Statement in the future.

#### Point of Contact

We value your feedback and opinion concerning our sustainability efforts and reporting approaches. Please reach out to us if there are any enquiries via our email address at enquiry@peraktransit.com.my.

## SUSTAINABILITY STATEMENT

### SUSTAINABILITY GOVERNANCE

The sustainability governance structure of the Group is incorporated into our overall corporate governance framework. To ensure sustainability considerations are embedded in decision-making processes at the highest levels, our Board approved the change of name of the 'Risk Management Committee' to the 'Risk Management and Sustainability Committee' on 22 February 2024 to better reflect the expanded duties and responsibilities to assist our Board in fulfilling its oversight in relation to the Group's sustainability strategy and initiatives covering environmental, social and economic responsibilities as well as the related sustainability practices in the businesses.

Our Managing Director, via the Risk Management and Sustainability Working Group Committee, is responsible for the strategic management of material sustainability matters which involves developing and planning of sustainability strategy and goals, as well as monitoring the implementation of the strategies on a day-to-day basis.

Performance evaluations of our Board and senior management have also been revised to include a review of the performance of our Board and senior management in addressing the Company's material sustainability risks and opportunities.

Governance Structure	Roles and Responsibilities
Board	<ul style="list-style-type: none"> <li>Oversight of Perak Transit's sustainability matters including but not limited to sustainability strategies, priorities and targets</li> </ul>
Risk Management and Sustainability Committee ("RMSC")	<ul style="list-style-type: none"> <li>Review and approve policies, targets, strategies and procedures on sustainability matters</li> <li>Monitor implementation of sustainability strategies and performance</li> <li>Oversee the risk and opportunities of sustainability matters</li> </ul>
Risk Management and Sustainability Working Group Committee ("RMSWGC")	<ul style="list-style-type: none"> <li>Identify and address sustainability-related issues, including risks and opportunities</li> <li>Develop sustainability strategies, policies and targets</li> <li>Implement effective mechanisms for monitoring sustainability indicators and evaluate the performance against targets</li> <li>Provide guidance and oversight to department heads for the effective day-to-day execution of sustainability strategies</li> <li>Report and update to the RMSC on sustainability matters</li> </ul>

### STAKEHOLDER ENGAGEMENT

Stakeholders will continuously be the focal point of our business. Our key stakeholder groups include customers, media, employees, suppliers, investors and financiers, business partners, community, governments and regulators. We have engaged all stakeholder groups through various methods in differing frequencies in the past years, this may happen through both formal and informal discussions and meetings that cover shareholder meetings, investor conferences, direct engagement programmes, surveys, audits, and more.

Stakeholder Group	Frequency and Type of Engagement	Material Sustainability Topics of Concern	How We Manage Issues
Customers	<p><b>Frequency:</b> Ongoing</p> <p><b>Type:</b> Customer survey</p>	<ul style="list-style-type: none"> <li>Customer Satisfaction</li> <li>Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>Customer survey</li> <li>Address customer concerns</li> </ul>
Media	<p><b>Frequency:</b> Frequent</p> <p><b>Type:</b> Newspaper, social media, press release</p>	<ul style="list-style-type: none"> <li>Community Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Direct engagement</li> <li>Press statements/briefings</li> <li>To highlight effort through engagement and communication channel</li> </ul>



## SUSTAINABILITY STATEMENT

Stakeholder Group	Frequency and Type of Engagement	Material Sustainability Topics of Concern	How We Manage Issues
Employees	<p><b>Frequency:</b> Regular, ongoing</p> <p><b>Type:</b> Knowledge sharing session, internal employee engagement programme, internal employee satisfaction survey programme, innovation accelerator programme, annual appraisal and performance review</p>	<ul style="list-style-type: none"> <li>• Workforce Management</li> <li>• Human and Labour Rights</li> <li>• Health and Safety</li> </ul>	<ul style="list-style-type: none"> <li>• Staff engagement programmes</li> <li>• Implementation of environment, safety and health programmes involving employees</li> <li>• Job-related training and workshops</li> </ul>
Suppliers	<p><b>Frequency:</b> Occasional</p> <p><b>Type:</b> Meetings, discussions, assessment</p>	<ul style="list-style-type: none"> <li>• Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier screening assessment</li> <li>• Constant and regular communications</li> <li>• Process improvement</li> <li>• Engage and share concerns with relevant parties</li> </ul>
Shareholders, investors and financiers	<p><b>Frequency:</b> Annual, quarterly, ongoing</p> <p><b>Type:</b> Annual general meeting, announcements, press releases, briefings, meetings</p>	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Natural Resource Management</li> </ul>	<ul style="list-style-type: none"> <li>• Regular audits</li> <li>• Constant engagement and sharing of strategy</li> </ul>
Business partners	<p><b>Frequency:</b> Ad hoc</p> <p><b>Type:</b> Meetings, discussions</p>	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Innovation and Digitalisation</li> </ul>	<ul style="list-style-type: none"> <li>• Communication</li> <li>• Engage and share concerns with relevant parties</li> </ul>
Community	<p><b>Frequency:</b> Ad hoc</p> <p><b>Type:</b> Dialogue, engagement, community activities</p>	<ul style="list-style-type: none"> <li>• Innovation and Digitalisation</li> <li>• Customer Satisfaction</li> <li>• Natural Resource Management</li> </ul>	<ul style="list-style-type: none"> <li>• Communication via reporting on environmental conservation activities</li> <li>• Corporate social responsibility activities</li> </ul>
Governments and regulators	<p><b>Frequency:</b> Regular, ongoing</p> <p><b>Type:</b> Meetings, pre-consult submission, periodical reporting</p>	<ul style="list-style-type: none"> <li>• Corporate Governance</li> </ul>	<ul style="list-style-type: none"> <li>• Responsible reporting and communications</li> <li>• Monitoring of compliance</li> </ul>

## SUSTAINABILITY STATEMENT

### MATERIALITY ASSESSMENT

The materiality assessment enables the Group to identify and understand the sustainability matters that may significantly impact the Group’s operations and influence the decisions of our stakeholders. The assessment further guides the Group in formulating its sustainability strategies and allocation of resources to material sustainability matters. A full-scale materiality assessment was conducted in FYE 2021 involving all key stakeholder groups. The Group aims to conduct full-scale materiality assessment once every three (3) years and review its materiality matrix annually to ensure our sustainability matters remain relevant.

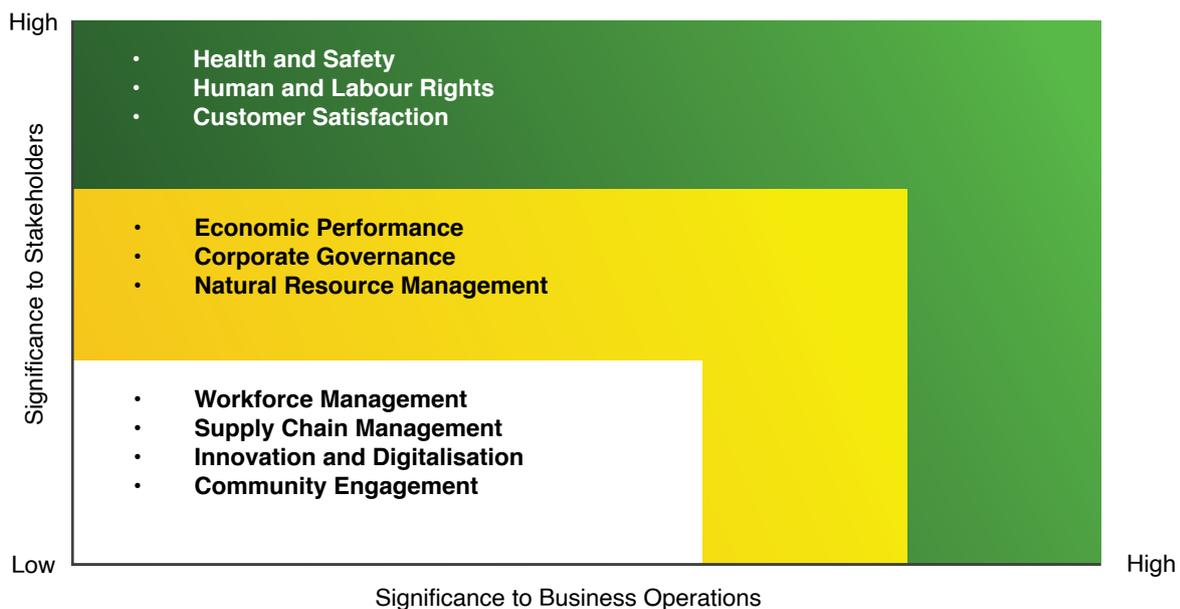
Identification of Sustainability Matters	Categorisation and Prioritisation of Material Matters	Review and Validation
<ul style="list-style-type: none"> <li>Identify and gather material issues from discussion and engagement with key stakeholder groups</li> <li>Refer to Bursa Malaysia’s Sustainability Reporting Guide, GRI Standards and material matters identified in previous years and those of our peers</li> <li>Resulted in identifying 10 relevant material matters</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate the significance of each material matters on the Group’s operations and the influence on stakeholders’ decision through internal discussions, stakeholders engagement and surveys</li> <li>Plot the outcomes on the materiality matrix</li> </ul>	<ul style="list-style-type: none"> <li>RMSWGC reviews the materiality matrix and reaffirms the matters with sustainability trends and industry reporting practices</li> <li>The materiality matrix is presented to the RMSC for validation and RMSC recommended the same to our Board for approval</li> </ul>

This year, the Group has carried out a limited-scale materiality review and engaged a small group of key stakeholders to reaffirm that our existing material matters still remained relevant.

Through our review, the 10 material matters remained the same. “Health and Safety”, “Human and Labour Rights”, “Customer Satisfaction”, and “Natural Resource Management” were repositioned higher, while “Economic Performance”, “Corporate Governance”, “Workforce Management”, “Innovation and Digitalisation”, and “Community Engagement” were repositioned lower. The updated materiality matrix has been reviewed by the RMWGC and approved by our Board.

The identified sustainability matters are illustrated in the materiality matrix below, plotted against the x-axis, which shows the relative importance of each matter to the business, and against the y-axis, which shows the relative importance of each matter to our stakeholders.

**Materiality Matrix**



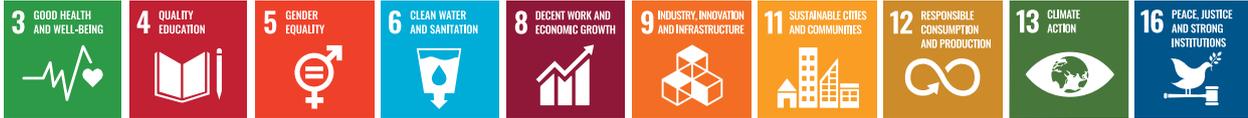


## SUSTAINABILITY STATEMENT

### OUR SUSTAINABILITY GOALS

Perak Transit is committed in supporting the UN SDGs and realigning our strategies to the goals. To ensure the Group is continuously improving its sustainability performance, we have set targets to track our progress. The table below illustrates the sustainability targets adopted by the Group.

#### UN SDGs Alignment



Material Topics	Targets	Performance in FYE 2023
Natural Resource Management	<p>Reduce Scope 1 GHG emission intensity by 5% from the 2022 baseline by 2030</p> <p>Reduce Scope 2 GHG emission intensity of terminal operations by 5% from the 2022 baseline by 2030</p> <p>Achieve waste diversion rate of 60% annually</p> <p>Reduce water consumption intensity of terminal operations by 5% from the 2022 baseline by 2030</p>	<p>Scope 1 GHG emission intensity reduced by 0.4% in FYE 2023 compared to baseline</p> <p>Scope 2 GHG emission intensity of terminal operations increased by 30.2% in FYE 2023 compared to baseline</p> <p>Waste diversion rate of 62.0% in FYE 2023</p> <p>Water consumption intensity of terminal operations reduced by 1.5% in FYE 2023 compared to baseline</p>
Workforce Management	At least 30% women representation at the senior management level annually	31.8% women representation at the senior management level in FYE 2023
Health and Safety	Achieve zero workplace fatality annually	Zero workplace fatality in FYE 2023
Human and Labour Rights	Achieve zero incidents of human right violations annually	Zero incidents of human right violations in FYE 2023
Community Engagement	Increase number of passengers facilitated by 30% from the 2022 baseline by 2023	Number of passengers facilitated increased by 7.2% in FYE 2023 compared to baseline
Corporate Governance	Achieve zero confirmed incidents of corruption annually	Zero confirmed incidents of corruption in FYE 2023

### ECONOMIC

#### Material Topic: Economic Performance

**Definition of Material Topic**  
Economic value created and distributed among stakeholders by Perak Transit.

**Why is This Topic Material to Us?**  
The Group's economic performance is an essential component to the Group as it ensures long-term growth in our business in line with the interests of our shareholders.

Risks	Opportunities
<ol style="list-style-type: none"> <li>Climate change such as frequent rainy season may disrupt telecommunication tower construction operations due to delays caused by safety hazards and resurfacing works for concrete washed away by rain, affecting the cost and revenue of the Group.</li> <li>Power outages during the rainy season may cause petrol station operations to be halted, increasing maintenance costs and affecting our profitability.</li> </ol>	<ol style="list-style-type: none"> <li>Expanding economy can lead to increased demand for public transportation and passengers facilitated at terminals, boosting revenue.</li> <li>Increasing the number of terminals managed by the Group will boost our reach, servicing more customers.</li> </ol>

## SUSTAINABILITY STATEMENT

### Management Approach

#### Direct Economic Value

We are guided by our vision to be the leading public transportation service provider and strive to drive strong economic performance for all the Group's stakeholders. The economic value generated and retained by the Group can be approximated by the revenue and profits generated by the Group. A summary of the key economic values of the Group can be summarised as follows:

RM'000	FYE 2021	FYE 2022	FYE 2023
Economic value generated (revenue and other income)	145,571	177,048	<b>182,580</b>
Economic value distributed:			
• Operating costs	57,624	71,160	<b>75,318</b>
• Employee wages and benefits	11,239	11,438	<b>12,553</b>
• Payment to providers of capital (dividends and financing cost)	29,323	31,614	<b>35,326</b>
• Payment to government (tax)	14,582	23,635	<b>16,117</b>
• Community investment	48	17	<b>81</b>
Economic value retained	32,755	39,184	<b>43,185</b>

Perak Transit's economic value generation is largely dependent on our ability to drive revenue or sales with our existing business model that we have implemented as a Group. In the year 2023, we have generated RM182.6 million of economic value from our integrated public transportation terminal operations, bus operations, petrol station operations and telecommunication tower construction operations.

Our economic value distributed includes employee wages and benefits from job creation for citizens of the country, operating costs, payments to providers of capital, as well as being an enabler to the local economy. We have a 100% local workforce which are all compensated based on Malaysia's Minimum Wage Order. As for the payments to providers of capital, we have declared RM21.9 million in dividends on quarterly basis to our shareholders and a payment of RM16.1 million to the Government of Malaysia in the form of taxes. The Group has invested around RM81,418 to support the local community through donations and financial aid.

For more information on financials, kindly refer to the financial section of this Annual Report.



#### Financial Assistance from the Government

Perak Transit serves the government as a valuable customer with equal care. We thrive to build long-term and positive relationship with the government, providing quality services in our operation segments. The Group has received the following financial assistance in the year under review:

- Government support fund – Interim Stage Bus Support Fund: RM2.8 million
- Government support fund – Stage Bus Service Transformation programme: RM12.4 million
- Bas Perak Sejahtera (Taiping, Kuala Kangsar and Manjung): RM1.4 million

Details of the financial assistance can be found under the audited financial statements in this Annual Report. For disclosure, government agencies exist in our shareholding structure as pure shareholders.



## SUSTAINABILITY STATEMENT

### Tax Governance

The Group's taxation matters are regularly managed, monitored and reviewed. We develop our tax strategies in accordance with local tax regulations. Tax disclosures and computations are reviewed by authorised tax personnel and incorporated into audited financial statements in our Annual Report. Any concerns regarding the Group's approach in tax can be made through our whistleblowing channels.

There was an unutilised investment allowance of RM49.8 million as at the end of FYE 2023 as a result of qualifying capital expenditure incurred by the Group. The Group has received approved service project ("ASP") status from Ministry of Finance ("MOF") for Terminal Meru Raya, where 60% of the qualifying capital expenditure were allowed to claim from year of assessment 2012 to year of assessment 2017 to offset 70% of the chargeable income, as well as for Kampar Putra Sentral, where 60% of the qualifying capital expenditure were allowed to claim from year of assessment 2016 to year of assessment 2020 to offset 70% of the chargeable income.

Additionally, the Group was also granted an approval from MOF for investment tax allowance in relation to the development of an integrated public transportation terminal in Bidor, Perak, where 50% on qualifying capital expenditure can be deducted against 50% of the statutory income for the year of assessment in respect of the bus terminal activity only, subjected to further conditions.

### Material Topic: Innovation and Digitalisation

#### Definition of Material Topic

Incorporation of new technologies and fostering new approaches within business operations to drive modernisation and efficiency improvements.

#### Why is This Topic Material to Us?

Digitalisation of our business operations enables us to deliver efficient, sustainable, and customer-centric public transportation services, as well as saving on natural resource usage which will in turn reduce our environment footprint. Keeping up with the latest technological advancement ensure that our operations remain forward-looking, resilient, and capable of meeting the expectations of both current and future generations of passengers.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Losing out on innovative capabilities may dampen our competitive edge.</li> <li>2. Risk or obsolescence of technology may cause disturbance to operations.</li> </ol>	<ol style="list-style-type: none"> <li>1. Adoption of digitalisation will minimise unnecessary printing expenditure.</li> <li>2. Technological upkeep will allow the Group to upscale its operations with ease.</li> </ol>

### Management Approach

The Group aims to position itself as a leader in public transportation, offering a seamless, sustainable, and technology-driven experience for our passengers while contributing to the advancement of the transportation industry as a whole. Throughout the years, we have implemented the following digitalisation initiatives:

- Implemented Terminal Management System which centralises all the sale of bus tickets into a point-of-sale system with bus schedule display system, real time monitoring of buses arrivals and departures and self-service kiosk, and implemented in-house PTRANS Terminal Management System in Kampar Putra Sentral;
- Digitalisation of advertising spaces;
- Implemented Cash360 deposit machine in our petrol stations;
- Implemented fleet operations management system for our bus operations;
- Equipped buses with Global Positioning Systems ("GPS"), closed-circuit television ("CCTV") cameras and cashless payment system;
- Implemented cashless payment system in our petrol stations;
- Digitisation of physical documents used in the Group;
- Paperless transaction;
- Online banking and cashless services; and
- Collaboration with edotco Malaysia Sdn Bhd on new-edge enabler services with the provision of telecommunication solutions within our properties.

## SUSTAINABILITY STATEMENT

### Material Topic: Customer Satisfaction

#### Definition of Material Topic

Enhancing customer satisfaction with our products and services by actively seeking their feedback.

#### Why is This Topic Material to Us?

Customers are among our most important stakeholders as we serve not only passengers, but the people of various states in their everyday lives while ensuring we closely assist the governments in ensuring a smooth sailing and reliable public transportation operations.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Rapidly evolving customer preferences make it challenging to maintain high levels of customer satisfaction.</li> <li>2. Inconsistencies in service or product quality may lead to customer dissatisfaction.</li> <li>3. Unaddressed customer feedback may result in missed opportunities for improvement and decrease in customer loyalty.</li> </ol>	<ol style="list-style-type: none"> <li>1. High customer satisfaction will lead to increase brand loyalty, retention rate and sales.</li> <li>2. Utilising customer service feedback to gain insights can be regarded as improvement opportunities for the Group.</li> <li>3. High customer satisfaction will attract a larger customer base, increasing the Group's earnings.</li> </ol>

### Management Approach

#### Customer Feedback

The utilisation of our customer service feedback form acts as a two-way communication between our customers and Perak Transit; whereby gaps are regarded as improvement opportunities for the Group, and not faults. After obtaining feedback from our customers, all corrective and preventive action plans are investigated and sufficiently recorded to ensure our services are continuously benchmarked against both internal capacities and external expectations.

The Group has conducted customer satisfaction survey at each of our operating segments, namely integrated public transportation terminal operations, bus operations, petrol station operations and telecommunication tower construction operations, to get customers feedback on our services. Below are the results of the customer satisfaction survey at each operation.

Business Segment	Summary of the Survey
Integrated public transportation terminal	48.5% of the respondents rated 5 out of 5 for the overall terminal service.
Bus	46.7% of the respondents rated 'Good' for our bus operations.
Petrol station	53.1% of the respondents are highly satisfied while 46.9% of the respondents are satisfied with our products and services offered at our petrol station.
Telecommunication tower construction	50% of the respondents are very satisfied while 50% of the respondents are generally satisfied with our delivery of projects.

Perak Transit is dedicated to deliver high quality product and service to improve our customer satisfaction which leads to higher retention rate and sales. Perak Transit shall strive for higher levels of customer satisfaction in the future.

#### Customer Privacy

Since the nature of our business requires personal information of our customers, strict procedures and privacy policies are in place for Perak Transit as well as our third-party service providers, tackling all possible requirements in relation to managing inquiries, handling of services and protection of data.

The Group enforces privacy policies and strict procedures for its third-party service providers to ensure that all customers' information and privacy are well protected and safeguarded. The Group has obtained Personal Data Protection licenses for two (2) petrol stations under the Group and signed a Personal Data Protection Act 2010 during the supplier registration process for its telecommunication tower construction operations. In FYE 2023, there were zero substantiated complaints concerning breaches of customer privacy and losses of customer data.

	FYE 2021	FYE 2022	FYE 2023
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	0	0	0



## SUSTAINABILITY STATEMENT

### Material Topic: Supply Chain Management

#### Definition of Material Topic

Implementing ethical and sustainable sourcing practices, which involve evaluating suppliers based on their environmental and social impacts, adhering to the Group's established policies.

#### Why is This Topic Material to Us?

Procurement and supply chain management is essential for us because we use a considerable number of services in our operation processes, and we would like to ensure that these services are procured sustainably along our entire supply chain.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Dependency on suppliers who face their own operational or financial challenges will disrupt the supply chain.</li> <li>2. Toxic waste and pollutants which do not follow the recycling system produced across our supply chain especially from the bus and petrol station operations may create negative impact to the environment.</li> </ol>	<ol style="list-style-type: none"> <li>1. Strong supply chain management will lead to cost savings and operational efficiencies.</li> <li>2. Implementing environmentally friendly ethical practices can enhance the Group's image.</li> </ol>

### Management Approach

#### Supporting Local Suppliers

Our sustainable procurement practices are creating positive impacts to the local supply chain in Malaysia as we priorities local suppliers, which not only contribute positively to the local economy, but also reduce our carbon footprint. In FYE 2023, the Group worked with 130 suppliers, of which 100% of them are locally sourced.

	FYE 2021	FYE 2022	FYE 2023
Proportion of local suppliers	100%	100%	100%

#### Supplier Screening and Assessment

The Group believes in upstream integrated supply chain management with an emphasis on quality and logistics control. The Group encourages fair and open competition with the intention to develop a long-term relationship with our suppliers based on mutual trust. We also promote economic inclusion when selecting our suppliers by taking into account factors such as gender distribution and other socioeconomic factors.

The Group has established a New Supplier Policy on the guidelines to review our suppliers to ensure supplier service is aligned with our business objectives. All suppliers must go through the supplier selection review checklist and meet the benchmark requirement before onboarded to the Group. Factors that the Group reviews during the supplier assessment includes:

- Competitive pricing;
- Product quality;
- Delivery efficiency;
- Payment terms; and
- After sales service.

We recognised the potential negative environmental and social impacts in our supply chain, such as improper waste disposal and water pollution especially from our bus and petrol station operations, that may lead to long term damage to our ecosystems. With that, the Group is working towards expanding our selection process to include sustainability elements such as environmental and social elements.

To improve the sustainability across the supply chain, the Group prefer suppliers who allow returns of expired goods for recycling purposes at our petrol stations. The Group also screens all our suppliers of telecommunication tower construction operations to verify their activities and ensure compliance to construction requirements with at least a CIDB G1 grade to ensure the health and safety of our operations. Environmental awareness letters are also sent to our suppliers to promote the importance of environmental wellbeing. To assess the health and safety of our supplier, our team carry out site inspections and visits at suppliers' workplace and discuss on follow-up improvements to ensure the high standards are upheld.

## SUSTAINABILITY STATEMENT

### New Tenants Framework

Perak Transit has set in place a New Tenants Framework that ensures strategic sourcing which would enhance the competitiveness and supply chain reliability of the Group. The specific objectives of this New Tenants Framework are:

- Effectively define the entire tenancy process;
- Ensure proper approvals before issuing offer letters to tenants;
- Clearly define the services being provided;
- Define the standards for reviewing and selecting the tenants that meet our strict requirements;
- Properly evaluate the risk and opportunities of our tenancy process; and
- Assess our selected tenants' risk to Terms and Conditions and uninterrupted supply of their services to our terminals and our customers.

To ensure our tenants' performances are monitored and maintained, the Group monitors and carry out inspections on regular schedules to ensure tenants' conformity to requirements.

## ENVIRONMENT

### Material Topic: Natural Resource Management

#### Definition of Material Topic

Natural Resource Management refers to the responsible and efficient utilization, conservation, and protection of natural resources such as energy, water and raw materials, aiming to minimize environmental impact and promote long-term ecological resilience.

#### Why is This Topic Material to Us?

Given the nature of our operations in public transportation services, we recognize the reliance on resources like fuel, water and materials. It is our responsibility to efficiently manage our energy, water and materials not only to reduce our carbon footprint and environmental impact, but also to mitigate operational risk caused by climate change.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Dependence on scarce natural resources may lead to operational disruptions, impacting service delivery and customer satisfaction.</li> <li>2. Frequent rainy season caused by climate change may result in power outages in our petrol station and delays in our telecommunication tower construction works, disrupting our daily operations.</li> <li>3. Non-compliance with existing and emerging environment regulations may result in financial penalties.</li> </ol>	<ol style="list-style-type: none"> <li>1. Efficient resource management presents opportunities for cost savings through reduced consumption, waste and associated expenses.</li> <li>2. Demonstrating commitment to responsible resource management can enhance relationships with stakeholders, including customers, investors and regulatory bodies.</li> </ol>





## SUSTAINABILITY STATEMENT

### Management Approach

#### *Environmental Impact*

Efficient bus, terminal, petrol station and telecommunication tower operations are important for the economic development of their surrounding areas. They also help to provide essential connectivity among people. However, the related bus operations, management of terminals and petrol stations, and the construction of telecommunication towers can result in several negative environmental impacts. In order to minimise such negative environmental impacts, effective management of natural resources used in our business operations will be very crucial. Perak Transit works actively with a long-term perspective to minimise the environmental impact of operations.

Impact of bus, terminal, petrol station and telecommunication tower operations have on the environment:

- Exhaust of particles, in particular CO<sub>2</sub> from the buses' engines;
- Waste generated from buses such as empty batteries, hydraulic oil, engine oil and worn-out tyres;
- Wastes generated from our terminals, petrol stations and telecommunication tower constructions;
- Noise produced from bus operations used to transport passengers;
- Road traffic to and from the terminals;
- Consumption of vast amount of energy to provide lights to terminals and petrol stations; and
- Habitat disturbance from land clearing for construction of telecommunication towers.

The Group's operations are not located in or adjacent to protected areas or areas of high biodiversity value outside protected areas. In FYE 2023, we have recorded zero substantiated incidents of non-compliance with environmental laws and regulations.

#### *Environmental Conservation Policy*

The Group recognised the potential environmental impact from the integrated public transportation terminal operations, bus operations, petrol station operations and telecommunication towers construction operations. To promote environmental sustainability, the Group has committed to develop an Environmental Conservation Policy to mitigate and minimise negative environmental impact with the following Environmental Objectives:

- Protecting the environment, preventing and controlling pollution and reducing emissions, releases and wastes;
- Consuming natural resources and energy more efficiently, conserving resources by reducing, recycling and reusing;
- Raising environmental awareness with stakeholders on key environmental issues, ensuring effective implementation of key Environmental, Social and Governance initiatives;
- Monitoring the Group's environmental performance regularly and reporting the Group's performance and key datasets to meet good Sustainability Reporting Standards;
- Optimising the fleet of buses and regularly evaluating the sourcing of alternative fuel or energy sources if the latter can be shown beneficial to our business and/or environment;
- Engaging with suppliers, contractors, clients and customers to improve environmental performance along the entire supply chain of our business, and assess more favorably vendors or suppliers that can demonstrate better responsible management of their environmental footprint;
- Enhancing staff environmental awareness by providing trainings concerning the potential environmental impacts arising from our operations;
- Ensuring compliance with all applicable local environmental by-laws and other relevant requirements; and
- Utilisation of energy efficient bulbs and lightings such as LED lightings at terminals and replacement of malfunctioned lightings with mini solar powered LED.

#### *Climate Change*

To maintain the Group's status and sustainable business values, we are aware of the importance of climate change and the financial implications to our business operations as a result of climate change, including the climate risk and opportunities.

Extreme weather associated with climate change such as flood and earthquakes can cause physical risks and disrupt the operations of our terminals, buses, petrol stations and telecommunication tower constructions. Frequent and heavy rainfall may result in power outages at our petrol stations which can increase hazards of short circuit. The construction of telecommunication towers is also vulnerable to extreme weather conditions which may cause delays in construction works due to safety hazards, impacting the Group's operation and profitability.

To preserve the environment landscape of our telecommunication tower sites, the Group practices sustainable construction practices such as building culverts and drains to divert rain and avoid flood, as well as performing slope protection to avoid soil erosion.

## SUSTAINABILITY STATEMENT

On the other hand, there are significant opportunities in the transition to low carbon. Early adoption of green technology and initiatives, such as electric vehicles and renewable energy systems, can position ourselves and improve our reputation as a green public transportation service provider.

Our Board has implemented policies to assess and manage climate-related risks and opportunities in the Group and has also set a strong oversight and governance leadership to our team. The Group targets to reduce Scope 1 and Scope 2 GHG emission intensity by 5% each from the 2022 baseline by 2030. To achieve our target, we strive to implement our Green Initiatives such as transitioning to renewable energy sources and adoption of low-carbon technologies, as elaborated in the following section.

### Energy and Emission Management

The Group consumes high energy consumption to power our operations, for example the fuels used to operate our buses and electricity consumed in our terminals and petrol stations. The cost of energy and its associated emissions are correlated with the overall passenger and traffic footfall. Hence, we have committed to develop an Energy Management Policy to manage the Group's energy usage efficiently and increase the sustainability of our business. As Perak Transit has strong control over its operations, it is committed to:

- Consuming energy as efficiently as possible in order to reduce its reliance on fossil fuels;
- Addressing energy use and targets to reduce its impact;
- Lowering its overall carbon footprint; and
- Regularly evaluating the sourcing of alternative fuel or energy sources for its fleet and other equipment if proven to be beneficial to our business and/or environment.

### Optimising our Bus Fleets and Repair and Maintenance ("R&M")

	FYE 2021	FYE 2022	FYE 2023
Stage bus	110	110	114
Express bus	37	37	33
Perak Hop-On Hop-Off Bus	5	5	5
Total	152	152	152

Our buses on average have a total lifespan of 15 years and the replacement cost per bus is approximately RM500,000 per standard size bus. As our buses get driven over the years, the performance might reduce which leads to additional inefficiencies. The significant cost and the environmental impact of replacing our bus fleet must be considered.

We adopt a regular R&M Policy and control measures for our buses to improve their energy efficiency and average lifespan. We have conducted schedule maintenance for our bus fleets based on mileage at our own workshop, and these buses will be sent to Puspakom for inspection after the scheduled maintenance. Through proper fleet maintenance and schedule repair of our buses, we are able to:

- maximise energy efficiency of our buses;
- increase productivity through lower downtime;
- reduce diesel consumption;
- reduce carbon emissions;
- increase the safety of our buses; and
- reduce overall fleet maintenance cost.

The type of engines used in our fleet of buses are chosen wisely which helps to increase energy performance and reduce overall carbon emission, compared to normal bus engines. Currently, all our buses are operating under Euro 2 and Euro 3. Utilisation of such diesel ensures that we are operating within emission guidelines while maintaining cost competitiveness of our operations. The Group plans to acquire Euro 5 and electric vehicle buses by stages in the future for stage bus operations.

We are dedicated to continuously expand and enhance our services to encourage the public to utilise public transportation services, with the aim to decrease the number of vehicles on the road, consequently leading to a reduction in carbon emissions.



## SUSTAINABILITY STATEMENT

### Capturing Solar Energy

Perak Transit has reached a supply agreement for renewable energy with Tenaga Nasional Berhad and GSPARX Sdn Bhd. The solar photovoltaic energy generating system that carries a total installed capacity of 422 kWp has been installed at all petrol stations in FYE 2023. From the installation of the panels, the Group is capable of achieving the following benefits:

- Zero capital expenditure to the Group;
- Total estimated savings of RM3.5 million in the next 25 years;
- Carbon dioxide offset achievable of 241.5 tonnes;
- Reduction of reliance and dependency on conventional power sources; and
- Promotion of the Group's stance in harvesting clean energy.

The Group has also utilised solar-powered aviation lights for the construction of telecommunication towers. The Group plans to install solar photovoltaic systems in our upcoming terminal Bidor Sentral, workshop and headquarters as well. Our priority in energy management remains with reducing electricity waste and utilise more of renewable energy.

### Energy Conservation via Replacing Conventional and Malfunctioning Lighting with LED Lighting and Green Initiatives

We are currently replacing conventional lighting with energy-efficient LED alternatives in our terminals, bus operations and petrol stations for more energy conservation. In FYE 2023, 100% and 90% of the lighting in Kampar Putra Sentral and Terminal Meru Raya respectively have been replaced with LED lighting for better electrical energy efficiency. We have replaced all lighting in our petrol stations, bus offices and bus platforms with LED lighting including the fridge lighting in the petrol stations, as well as installed LED spotlights in our petrol station compound to ensure the brightness of our stations. We believe such steps will reduce our energy consumption and utilise more of naturally renewable energy our nation is blessed with.



The Group also focuses on educating its employees to practice energy saving initiatives in their daily operations. Other Green Initiatives include:

- Wise adoption of air conditioning units in all our premises to reduce the emissions to the surrounding environment;
- The temperature of the air-conditioning will be set as 25 Celsius in our offices;
- Replacing malfunction air conditioner with wall fan in storage room to reduce the usage of electricity;
- Smart technology which switches on and off lights at pre-determined time;
- Using sensors in offices and buildings to automatically adjust lightings and air conditioner when the room is empty;
- Conducting regular inspections and upgrading less energy-efficient equipment;
- Optimising the spaces of our offices and encourage room sharing to save electricity;
- Utilisation of seven (7) air handling units for air conditioning and purifying with regular maintenance, turned on by rotation;
- Usage of gensets during related work for construction of telecommunication tower as a convenient and efficient means of providing electricity without requiring access to the power grid; and
- Plans to upgrade lighting in the terminals' parking lot with motion sensor functionality.

### Acquisition of Electric Buses and Installation of Electric Vehicle Charging Stations

The Group is in the midst of finalising the acquisition of electric buses as pilot projects into our portfolio. We wish to effectively transition our operations to be more sustainable. Moreover, the Group is also planning to install electric vehicle charging stations which not only increases our provision of services and potentially additional revenue, it also indirectly attracts and encourages the use of electric vehicles to the general public. The strategic decision to acquire electric buses and install electric vehicle charging stations can offset carbon dioxide emitted to the surroundings by normal buses and vehicles.

### Energy Performance

In FYE 2023, we have 152 number of buses and our buses are powered by direct energy in the form of diesel for its operations.

We have two (2) bus terminals in operation, namely Terminal Meru Raya and Kampar Putra Sentral. Our terminals, petrol stations as well as office use indirect energy in the form of electricity purchased from Tenaga Nasional Berhad.

## SUSTAINABILITY STATEMENT

The Group has recorded a total energy consumption of 111,636,980 MJ in FYE 2023 with a 6.8% increase from FYE 2022 as a result of higher terminal and bus operations activities.

Energy Consumption	Unit	FYE 2021	FYE 2022	FYE 2023
<b>Diesel Consumption</b>				
Total Diesel Consumption	MJ	94,945,508	98,732,018	<b>101,945,373</b>
<b>Electricity Consumption</b>				
Electricity Consumption				
Integrated Public Transportation Terminal Operations	MJ	2,901,668	4,649,123	<b>8,533,202</b>
Petrol Station Operations	MJ	756,115	806,515	<b>763,765</b>
Bus Operations	MJ	157,417	126,299	<b>135,709</b>
Others	MJ	204,534	229,212	<b>245,938</b>
Solar Energy Consumption	MJ	-	-	<b>12,992</b>
Total Electricity Consumption	MJ	4,019,735	5,811,149	<b>9,691,607</b>
<b>Total Energy Consumption</b>	MJ	98,965,243	104,543,167	<b>111,636,980</b>
Solar Energy Sold	MJ	-	-	<b>5,321</b>

### Energy Intensity – Fuel Efficiency and Electrical Efficiency

Total energy consumption is a poor indicator of energy efficiency as the number of bus routes and distance travelled fluctuate annually. Energy intensity is a much better measure of the energy efficiency of Perak Transit's operations.

#### Diesel Energy Intensity – Bus Operations

We express the diesel energy intensity of our bus operations as the total MJ required per kilometer run. This is measured for all of our buses in operation. Tracking this information is an essential part of Perak Transit's bus fleet optimisation.

The Group has recorded an energy intensity of 15.4 MJ per km in FYE 2023 for our bus operations, a 0.4% decrease from FYE 2022.

	Unit	FYE 2021	FYE 2022	FYE 2023
Total distance travelled by all buses	km	5,906,070	6,382,819	<b>6,620,152</b>
Energy intensity by distance travelled	MJ per km	16.1*	15.5*	<b>15.4</b>

Note: \*Restated to MJ per km unit

#### Electrical Energy Intensity – Integrated Public Transportation Terminal Operations

Electrical energy efficiency of our terminal operations is calculated by dividing the total energy consumption by the leased area of our terminals. We are evaluating proposals to install digital power metering in our terminals to help us identify inefficiencies and improve the accuracy of this indicator.



## SUSTAINABILITY STATEMENT

The Group has recorded an energy intensity of 43.7 MJ per sf in FYE 2023 for our terminal operations, a 30.2% increase from FYE 2022. The increase is mainly due to higher terminals activities and higher occupancy rate from Kampar Putra Sentral since its commencement in FYE 2020.

	Unit	FYE 2021	FYE 2022	FYE 2023
<b>Terminal Meru Raya</b>				
Electricity consumption	MJ	2,376,162	3,966,836	<b>5,569,535</b>
Leased area	sf	40,625	38,862	<b>44,389</b>
Energy intensity	MJ per sf	58.5*	102.1*	<b>125.5</b>
<b>Kampar Putra Sentral</b>				
Electricity consumption	MJ	525,506	682,286	<b>2,963,668</b>
Leased area	sf	97,855	99,607	<b>150,748</b>
Energy intensity	MJ per sf	5.4*	6.8*	<b>19.7</b>
Overall Energy Intensity of Terminal Operations	MJ per sf	21.0	33.6	<b>43.7</b>

Note: \*Restated to MJ per sf of leased area unit

### Carbon Emissions

Consuming non-renewable fuels for our bus operations is usually the main contributor to direct Scope 1 Greenhouse Gas (“GHG”) emissions. Consuming purchased electricity, heating, cooling and steam contributes to the organization’s indirect Scope 2 GHG emissions. The Group plans to track and disclose other indirect Scope 3 GHG emissions in the coming years.

The Group has recorded a total Scope 1 and 2 GHG emissions of 8,816 tCO<sub>2</sub> in FYE 2023 with a 10.8% increase from FYE 2022.

	Unit	FYE 2021	FYE 2022	FYE 2023
Scope 1 <sup>1</sup>	tCO <sub>2</sub>	6,746	7,015	<b>7,243</b>
Scope 2 <sup>2</sup>	tCO <sub>2</sub>	653	944	<b>1,573</b>
Total Scope 1 and 2	tCO <sub>2</sub>	7,399	7,959	<b>8,816</b>

### Notes:

1. The emission factor of 2.7 kg CO<sub>2</sub> per liter is obtained from The Carbon Trust, Energy and carbon conversions 2009 update.
2. The emission factor of 0.6 tCO<sub>2</sub> per MWh is obtained from 2017 CDM Electricity Baseline for Malaysia.

The Group aims to reduce its Scope 1 GHG emission intensity by 5% from the 2022 baseline by 2030. In FYE 2023, the Group has recorded a Scope 1 intensity of 1.09 kg CO<sub>2</sub> per km in for its bus operations, a 0.4% reduction from FYE 2022.

Scope 1 Intensity	Unit	FYE 2021	FYE 2022	FYE 2023
Scope 1 Intensity by distance travelled	kg CO <sub>2</sub> per km	1.14	1.10	<b>1.09</b>

The Group aims to reduce its Scope 2 GHG emission intensity from our terminal operations by 5% from the 2022 baseline by 2030. In FYE 2023, the Group has recorded a Scope 2 intensity of 7.1 kg CO<sub>2</sub> per sf for its terminal operations, a 30.2% increase from FYE 2022. The increase is due to higher terminals activities and higher occupancy rate from Kampar Putra Sentral since its commencement in FYE 2020.

Scope 2 Intensity of Terminal Operations	Unit	FYE 2021	FYE 2022	FYE 2023
Terminal Meru Raya	kg CO <sub>2</sub> per sf	9.5	16.6	<b>20.4</b>
Kampar Putra Sentral	kg CO <sub>2</sub> per sf	0.9	1.1	<b>3.2</b>
Overall Scope 2 Intensity of Terminal Operations	kg CO <sub>2</sub> per sf	3.4	5.5	<b>7.1</b>

## SUSTAINABILITY STATEMENT

### Waste Management

We recognise that improper waste management can have negative impacts on the environment such as pollution and contamination in the air, water and land which may lead to health hazards. Perak Transit has committed to develop a Waste Management Policy and is committed to:

- Reducing waste and increasing recycling or the beneficial reuse of all waste materials arising from administrative activities, business operations and all activities that take place on its premises;
- Separating disposable and recyclable waste to help prevent environmental pollution; and
- Responsible storage and disposal of all relevant waste.

Waste generated from the Group's operations are as follow:

Segment	Type of Waste Generated
Integrated Public Transportation Terminal Operations	General waste
Bus Operations	Batteries, tyres, engine oil, lubricating oil and hydraulic oil
Petrol Station Operations	Oil and petroleum
Telecommunication Tower Construction Operations	Soil fill from excavation works

### Scheduled Waste (Hazardous Waste)

#### Petrol Station Operations

Code	Waste Description
SW307	Spent mineral oil-water emulsion
SW312	Used sludge

Station crews were trained and briefed periodically on the proper handling of scheduled waste and oil spillage at petrol stations. Annually, the authorized waste collector will collect the waste and carry out interceptor service and cleaning to prevent oil leakage as well as to protect the health and safety of our employees and customers. Oil sludge and oil-water emulsion are collected by authorized licensed waste management company.

#### Bus Operations

##### Oil and Chemicals

The Group uses a significant volume of oil and chemicals in our buses to lubricate and as an energy transfer medium. We have a policy to dispose the engine oil, lubricating oil and hydraulic oil off to an appointed licensed waste disposal contractor whenever we accumulate up to 4 oil containers (1 container is equivalent to 200 litres of oil). The engine oil, lubricating oil and hydraulic oil of our buses were treated and stored according to the Department of Environment guidelines before disposed of by the appointed waste disposal contractor.

We are evaluating plans to better manage our oil and chemical waste, including investing in a hydraulic recycling machine to reuse used hydraulic oil and installing oil and grease traps at all maintenance and repair workshops.

Benefits of recycling oil and chemicals:

- Cost savings;
- Environmental benefits;
- Decreased time spent on oil changes;
- Less environmental contamination; and
- Increased machine reliability.



## SUSTAINABILITY STATEMENT

### Batteries

For waste involving batteries, the Group will dispose the batteries to the appointed licensed recycle contractor for every 10 units (approximately). There were 117 batteries being disposed for recycling purposes in the year 2023.

	FYE 2021	FYE 2022	FYE 2023
Batteries recycled	92	126	117

### Tyres

We recycle and recover non-hazardous waste from our bus operations such as tyres. We train our staff on proper tyre management and recover used tyres by retreading them every three or four months to increase the lifespan and improve the condition of our buses' tyres. Retreading is a re-manufacturing process for tires that replace the tread on worn tires. Retreading is applied to casings of spent tires that have been inspected and repaired. The result is a new tyre with a new tread pattern. We are able to maintain the performance of our retreaded tyres similar to a new tyre without comprising on its safety and quality. We also have appointed an external workshop to patch tyres to save on tyre consumption. Worn out tyres are then disposed to appointed waste disposal contractor.

Key advantages of retreading our tyres:

- Highly environment friendly as it saves landfill space when the existing tyres are made ready for further use;
- Reduces the consumption oil and carbon dioxide emission required to manufacture new tyres; and
- Achieves economic benefits by saving a considerable amount of money from buying new tyres.

	FYE 2021	FYE 2022	FYE 2023
New Tyres Purchased	178	150	435
Tyres Retreaded	473	317	640
Tyres Disposed	195	129	449

### Non-Scheduled Waste (Non-Hazardous Waste)

For non-hazardous waste such as general waste from daily operations, the Group manages our waste by practicing the 4R Approach – Reduce, Reuse, Recycle and Recover.

### *Integrated Public Transportation Terminal and Petrol Station Operations*

The Group implemented the 4R Approach on general waste such as unused or malfunctioned electrical and industrial appliances. General non-recyclable waste is sent to landfills. To enhance the waste recycling management of our terminals, we are separating out recyclable waste such as plastic bottles, paper bags/boxes and aluminium cans for recycling purposes. We plan to set up recycling bins and recycling posters throughout our terminals to encourage recycling practices among our customers in the coming years.

### *Telecommunication Tower Construction Operations*

The construction of telecommunication towers generates waste such as soil fill from the excavation works. These soil fills are reused to backfill and access roads.

## SUSTAINABILITY STATEMENT

### Our Waste Performance

The Group aims to achieve a waste diversion rate of 60% annually. In FYE 2023, the Group has recorded a total waste directed to disposal of 25.4 tonnes and a waste diversion rate of 62.0%. We will continue our 4R efforts to reduce the waste sent to landfill.

	Unit	FYE 2021	FYE 2022*	FYE 2023
<b>Waste Generated</b>				
Scheduled waste	tonnes	40.6	-	<b>66.7</b>
Total waste generated	tonnes	40.6	-	<b>66.7</b>
<b>Waste Diverted from Disposal</b>				
Scheduled waste	tonnes	29.6	-	<b>41.3</b>
Waste diverted from disposal	tonnes	29.6	-	<b>41.3</b>
<b>Waste Directed to Disposal</b>				
Scheduled waste	tonnes	11.0	-	<b>25.4</b>
Waste directed to disposal	tonnes	11.0	-	<b>25.4</b>
Waste Diversion Rate	%	72.9	-	<b>62.0</b>

Note: \*Not applicable; we did not track the weight of waste in FYE 2022, we will collect this data annually in the future.

### Water Management

Water is central to human health and business sustainability. The Group is committed to develop a Water Management Policy to:

- Transparently reporting its water consumption;
- Managing and saving water consumption efficiently; and
- Working with government agencies and stakeholders to promote more effective water governance and stewardship.

The Group obtains our water supply from Lembaga Air Perak for our terminal, bus and petrol station operations, and sources water from nearby water sources such as rivers or hills for our telecommunication tower construction operations. Water is consumed for domestic usage in our day-to-day business operation. For telecommunication tower construction operations, the sub-contractors used water for construction activities.

Our daily operations do not produce waste water, thus the water is discharged without water treatment as it is not contaminated with chemicals.

### Water Management Initiatives

As a part of our water management initiatives, we have regularly trained our staff to identify any leakage and repair it if any and to ensure all the water taps are properly turned off if they are not being used. Our station crew is trained to perform scheduled hourly checks on all the manual water taps to ensure that they are properly turned off if not being used. Posters on efficient water usage are also posted across all our premises to remind not only our staff but the general public to avoid water wastage. Additionally, installation of flow restrictors in our terminals is able to minimize water wastage, which also complies with our cost-saving initiatives.

We have also replaced the faucets in our terminals with push-button faucets to save water usage. In FYE 2023, 100% and 70% of the faucets have been converted to push-button faucets in Kampar Putra Sentral and Terminal Meru Raya respectively.

Besides the existing initiatives, the Group also has plans to implement the following water conservation initiatives in the coming future:

- Replace all flush toilet buttons with dual-flush buttons for water conservation; and
- Install rainwater harvesting system.



## SUSTAINABILITY STATEMENT

### Water Performance

The Group has recorded a total water consumption of 58.1 megaliter in FYE 2023, a 31.2% increase from FYE 2022 as a result of higher terminal activities.

<b>Water Consumption</b>	<b>Unit</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
Integrated Public Transportation Terminal Operations	megaliter	27.8	34.9	<b>48.5</b>
Petrol Station Operations	megaliter	7.8	7.1	<b>7.3</b>
Bus Operations	megaliter	1.6	2.0	<b>2.0</b>
Others	megaliter	0.3	0.3	<b>0.4</b>
<b>Total water consumption</b>	megaliter	37.5*	44.3*	<b>58.1</b>

Notes:

Water consumption = water withdrawal

\*Restated to megaliter unit

### *Water Consumption Intensity – Integrated Public Transportation Terminal Operations*

The Group has established target for the water consumption intensity against our terminal operations, as it is the largest contributor to the Group with most significant impact. The Group aims to reduce water consumption intensity of our terminal operations by 5% from the 2022 baseline by 2030. In FYE 2023, the Group has recorded a water consumption intensity of 248.3 liter per sf with a 1.5% reduction from FYE 2022 for our terminal operations.

	<b>Unit</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
Terminal Meru Raya	liter per sf	630.6*	856.5*	<b>955.1</b>
Kampar Putra Sentral	liter per sf	22.8*	16.4*	<b>40.2</b>
Overall Water Consumption Intensity of Terminal Operations	liter per sf	201.1	252.2	<b>248.3</b>

Note: \*Restated to liter per sf of leased area unit



## SUSTAINABILITY STATEMENT

### SOCIAL

#### Material Topic: Workforce Management

##### Definition of Material Topic

Involves the creation and maintenance of a productive, inclusive, and supportive work environment that fosters employee engagement and well-being.

##### Why is This Topic Material to Us?

Effective workforce management is essential for us to maintain high employee morale and productivity, which are vital for delivering quality services to our customers.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Decreased employee satisfaction can lead to reduce employee morale, productivity and overall performance.</li> <li>2. Higher employee turnover leads to increase recruitment and training costs.</li> <li>3. Failure to maintain a positive workplace environment can cause reputational damage.</li> </ol>	<ol style="list-style-type: none"> <li>1. Enhancing employee satisfaction and increase employee retention.</li> <li>2. Boosting organisational reputation and attractiveness to potential employees.</li> <li>3. Creating a more innovative and adaptable workforce.</li> </ol>

#### Management Approach

Perak Transit appreciates the contribution of our employees to the organisation and, as such, we view them as the Group's greatest asset and place high importance on their well-being. As part of the Group's Human Resource Policy, we have adopted a comprehensive set of policies in relation to recruitment, payroll, leave application, performance appraisal, disciplinary action, resignation, and training and development. Perak Transit adheres to the regulations of the Employment Act 1955, Employees Provident Fund Act 1991, Employees Social Security Act 1969, Income Tax Act 1967 and Employment Insurance System Act 2017.

#### Staff Benefit

Perak Transit strongly believes that our employees are the key drivers for business growth and sustainability of our operations. Apart from retaining existing talents, our management has always been actively seeking out dynamic, talented and skilled individuals to contribute to the Group and share in our success.

The Group strives to provide a safe and comfortable work environment for all our employees, and uphold to take care of their well-being and ensure job satisfaction. In addition, the Group also offers attractive remuneration package to all employees to reward them for their contribution to the Group. Feedback from our employees is considered seriously in order to improve the working environment and increase employee engagement.

Perak Transit provides employment benefits to all full-time, part-time and temporary employees as part of their terms of employment. These include:

- Directors and Officers Liability Insurance
- Keyman Insurance
- Group Personal Accident Insurance for petrol station employees
- Workmen Compensation Insurance for bus drivers
- Medical Claims
- Maternity Leave
- Paternity Leave



## SUSTAINABILITY STATEMENT

### Parental Leave

In FYE 2023, there were a total of 344 employees who were entitled to parental leave. 6 of our employees have taken parental leave with a return rate of 83.3% in FYE 2023.

Parental Leave	FYE 2021	FYE 2022	FYE 2023
Number of employees entitled to parental leave:			
Female	70	77	<b>91</b>
Male	0	0	<b>253</b>
Total	70	77	<b>344</b>
Number of employees that took parental leave:			
Female	4	0	<b>1</b>
Male	0	0	<b>5</b>
Total	4	0	<b>6</b>
Number of employees that returned to work after parental leave ended:			
Female	3	0	<b>1</b>
Male	0	0	<b>4</b>
Total	3	0	<b>5</b>
Number of employees that were still employed 12 months after returned to work after parental leave ended:			
Female	0	3	<b>0</b>
Male	0	0	<b>0</b>
Total	0	3	<b>0</b>
Rate of return to work of employees who took parental leave:			
Female	75.0%	-	<b>100.0%</b>
Male	-	-	<b>80.0%</b>
Total	75.0%	-	<b>83.3%</b>
Retention rate of employees that were still employed 12 months after returned to work after parental leave ended:			
Female	-	100.0%	-
Male	-	-	-
Total	-	100.0%	-

### Training and Education

The Group ongoingly empowers the individuals under Perak Transit's umbrella by providing regular training and ensure that all employees are upskilled with the evolving environment and are trained to ever readily handle all enquiries from our valued customers.

In FYE 2023, the Group has conducted various trainings and education programmes for all employees across all gender and employee category, with a total of 1,256.5 training hours and average training hours of 4.7 hours per employee.

List of trainings the Group provided for our employees include, among others:

- Effective Supervisory Skills and Business English Communication at Work
- Time Management and Productivity Skills
- FMM Occupational Safety and Health Coordinator (OSH-C)
- Healthier Workplace, Happier Employees
- Analytical and Creative Thinking Skills
- Vealth.me On-Site Training
- Anti-Bribery and Anti-Corruption Policy Training
- Customer Service and Handling Trainings
- Operational Training (e.g. finance, human resource, taxation and routine training)

## SUSTAINABILITY STATEMENT



Vealth.me On-Site Training



Petron Petrol Station Product Training



Shell Petrol Station Bomba Training

Total training hours:

	FYE 2021	FYE 2022	FYE 2023
Total Training Hours	435.0	1,462.1	<b>1,256.5</b>
Breakdown by employee category:			
General Worker	219.0	1089.2	<b>953.3</b>
Middle Management	200.0	295.9	<b>134.8</b>
Senior Management	16.0	77.0	<b>168.5</b>

*Note: Senior Management refers to Head of Departments and Directors.*

Average training hours by gender and employee category:

	FYE 2021	FYE 2022	FYE 2023
Average Training Hours per Employee	1.629	5.602	<b>4.706</b>
Breakdown by gender:			
Female	4.173	16.130	<b>13.131</b>
Male	1.057	3.107	<b>2.249</b>
Breakdown by employee category:			
General Worker	1.014	5.043	<b>4.790</b>
Middle Management	5.882	11.381	<b>2.929</b>
Senior Management	0.941	4.053	<b>7.659</b>

*Note: Senior Management refers to Head of Departments and Directors.*



## SUSTAINABILITY STATEMENT

### Performance Review

The Group's employees who have been employed for over a year receives regular performance and career development reviews which looks at employees' key performance indicators ("KPIs"), attendance, misconduct record, and comments and reviews from their direct superior, regardless of employee category or gender. This ensures that all employees are competent and motivated to improve themselves to excel in their career which benefits the Group as a whole. Perak Transit strives to provide performance and career development reviews to all of its employees.

In FYE 2023, 79% of our employees have received regular performance and career development reviews.

Percentage of employees who received performance review	FYE 2021	FYE 2022	FYE 2023
Total employees who received performance review	79%	70%	79%
By gender:			
Female	73%	46%	61%
Male	80%	75%	84%
By employee category:			
General worker	87%	72%	81%
Middle Management	62%	73%	63%
Senior Management	18%	42%	95%

### Staff Diversity

Perak Transit has a diverse workforce and believes that the strength of a diverse and inclusive workforce is essential for the success of our business. The Group is guided by our Gender Diversity Policy to promote gender diversity in workplace with the aim to achieve at least 30% women participation in the boardroom and senior management team. In FYE 2023, we have achieved 31.8% women representation in our senior management level. We strive to promote diversity by implementing equal and transparent recruitment process to ensure that no employee is discriminated in any way and is treated equally with respect and dignity, regardless of race, religion, age and gender.

We have a 100% local workforce which supports the government's initiatives to increase local employment rates and develop local workforce talent.

Composition of Employees by Gender:

Employee Category by Gender	Unit	FYE 2021	FYE 2022	FYE 2023
General worker				
Female	Headcount	29	33	25
Male	Headcount	187	183	174
Middle Management				
Female	Headcount	14	10	27
Male	Headcount	20	16	19
Senior Management				
Female	Headcount	6	7	7
Male	Headcount	11	12	15
Total Female	Headcount	49	50	59
	%	18.4	19.2	22.1
Total Male	Headcount	218	211	208
	%	81.6	80.8	77.9

Note: Senior Management refers to Head of Departments and Directors.

## SUSTAINABILITY STATEMENT

### Composition of Employees by Age Group:

Employee Category by Age Group	Unit	FYE 2021	FYE 2022	FYE 2023
<b>General worker</b>				
< 30	Headcount	49	49	<b>33</b>
31-50	Headcount	103	99	<b>96</b>
> 50	Headcount	64	68	<b>70</b>
<b>Middle Management</b>				
< 30	Headcount	15	8	<b>13</b>
31-50	Headcount	13	14	<b>24</b>
> 50	Headcount	6	4	<b>9</b>
<b>Senior Management</b>				
< 30	Headcount	0	1	<b>3</b>
31-50	Headcount	6	7	<b>6</b>
> 50	Headcount	11	11	<b>13</b>
Total < 30	Headcount	64	58	<b>49</b>
	%	24.0	22.2	<b>18.4</b>
Total 31-50	Headcount	122	120	<b>126</b>
	%	45.7	46.0	<b>47.2</b>
Total > 50	Headcount	81	83	<b>92</b>
	%	30.3	31.8	<b>34.5</b>

*Note: Senior Management refers to Head of Departments and Directors.*

### Composition of Employees by Employee Type:

Employee Type	Unit	FYE 2021	FYE 2022	FYE 2023
<b>Breakdown by Gender</b>				
<b>Permanent Employees:</b>				
Female	Headcount	45	50	<b>51</b>
Male	Headcount	192	174	<b>177</b>
<b>Temporary Employees:</b>				
Female	Headcount	1	1	<b>8</b>
Male	Headcount	29	36	<b>31</b>
<b>Breakdown by Region</b>				
<b>Permanent Employees:</b>				
Local	Headcount	237	224	<b>228</b>
Foreign	Headcount	0	0	<b>0</b>
<b>Temporary Employees:</b>				
Local	Headcount	30	37	<b>39</b>
Foreign	Headcount	0	0	<b>0</b>



## SUSTAINABILITY STATEMENT

### Composition of New Employee Hires:

<b>New Employee Hires Breakdown</b>	<b>Unit</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
Total New Hires	Headcount	96	96	<b>106</b>
New Hires Rate	%	34.0	36.4	<b>40.2</b>
Breakdown by Gender:				
Female	Headcount	23	32	<b>33</b>
	%	24.0	33.3	<b>31.1</b>
Male	Headcount	73	64	<b>66</b>
	%	76.0	66.7	<b>62.3</b>
Breakdown by Age Group:				
< 30 years	Headcount	38	51	<b>32</b>
	%	39.6	53.1	<b>30.2</b>
30-50 years	Headcount	36	32	<b>40</b>
	%	37.5	33.3	<b>37.7</b>
> 50 years	Headcount	22	13	<b>36</b>
	%	22.9	13.6	<b>34.0</b>
Breakdown by Region:				
Local	Headcount	96	96	<b>106</b>
	%	100.0	100.0	<b>100.0</b>
Foreign	Headcount	0	0	<b>0</b>
	%	0.0	0.0	<b>0.0</b>

## SUSTAINABILITY STATEMENT

### Composition of Employee Turnover:

Employee Turnover Breakdown	Unit	FYE 2021	FYE 2022	FYE 2023
Total Employee Turnover	Headcount	102	101	<b>100</b>
Employee Turnover Rate	%	36.1	38.3	<b>37.9</b>
Breakdown by Gender:				
Female	Headcount	21	33	<b>33</b>
	%	20.6	32.7	<b>33.0</b>
Male	Headcount	81	68	<b>67</b>
	%	79.4	67.3	<b>67.0</b>
Breakdown by Age Group:				
< 30 years	Headcount	44	41	<b>36</b>
	%	43.1	40.6	<b>36.0</b>
30-50 years	Headcount	45	39	<b>38</b>
	%	44.1	38.6	<b>38.0</b>
> 50 years	Headcount	13	21	<b>26</b>
	%	12.7	20.8	<b>26.0</b>
Breakdown by Employee Category:				
General Employee	Headcount	70	76	<b>77</b>
	%	68.6	75.2	<b>77.0</b>
Middle Management	Headcount	27	24	<b>22</b>
	%	26.5	23.8	<b>22.0</b>
Senior Management	Headcount	5	1	<b>1</b>
	%	4.9	1.0	<b>1.0</b>

### *Socioeconomic Compliance and Non-Discrimination*

In FYE 2023, the Group does not have any fines or non-monetary sanctions relating to socioeconomic non-compliance. There was no reported incident of discrimination regarding race, religion, age and gender as Perak Transit carries a commitment of being an equal opportunity employer, providing equal and non-discriminating actions on all job applicants and employees, regardless of race, religion, age and gender.

To enhance the Group's social aspects, we have also Whistle Blowing Policy in place for employees of all status to channel their grievances on all matters concerning their employment.



## SUSTAINABILITY STATEMENT

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### Material Topic: Health and Safety

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#### Definition of Material Topic

This encompasses the policies, procedures and practices designed to minimize risks and ensure a safe working environment.

#### Why is This Topic Material to Us?

Ensuring health and safety is critical for us to prevent accidents and illnesses, thereby reducing downtime and ensuring our service reliability.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Incidents or breaches in safety can result in operational interruptions and negatively affect staff morale.</li> <li>2. Non-compliance to legal standards can incur costs and harm the company's reputation.</li> <li>3. Implementing comprehensive safety protocols may require substantial investment.</li> </ol>	<ol style="list-style-type: none"> <li>1. Improving employee morale and productivity through a safer workplace.</li> <li>2. Reducing costs related to workplace accidents and health issues.</li> <li>3. Strengthening company reputation as a responsible employer.</li> </ol>

### Management Approach

Perak Transit places emphasis on the safety of its vehicles and care for its passengers as well as its employees.

#### *Occupational Health and Safety ("OHS") Policy*

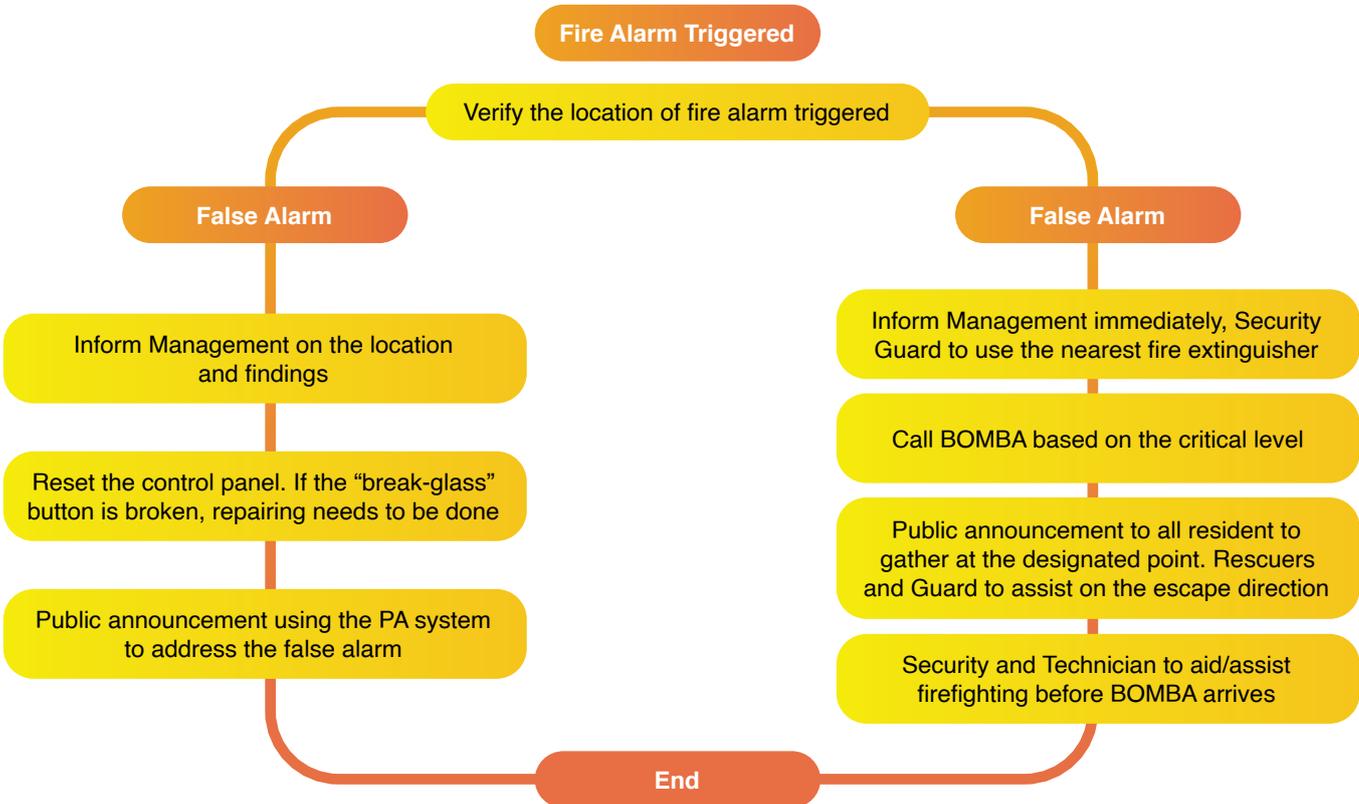
Perak Transit's OHS management system has been incorporated into our OHS Policy, which is adhered to by all employees to ensure a safe and healthy environment for everyone who may be affected by its operations. Its objective is to minimise the risk of injury and ill-health among employees and passengers. Our OHS Policy makes reference to the Land Public Transport Commission's Industry Code of Conduct on Safety for Bus Operators.

Under the standard operating procedures ("**SOP(s)**") of our bus operations, we have an emergency response plan on how to deal with fire incidents, as well as procedures to report any road accidents and incidents. We also have the SOPs on how to deal with fire incidents in our terminals.

## SUSTAINABILITY STATEMENT

We also maintain a Fire Flow Chart whenever the Fire Alarm is activated to ensure in the event of an incident, actions are handled well and smoothly. Fire Flow Chart is as below:

Flow Chart (SOP) for Fire Alarm Activation



Safety is the prerequisite in everything the Group does and is an integral part of our business strategy and operations. Employees at all levels are required to comply with all legal requirements and our Safety Policy with regard to their work practices. All our employees under our operation side are covered by our OHS management system, which has been audited by an outsourced internal auditor and internal safety officer.

### Maintenance Depot of Bus Operations

At the maintenance depot of our bus operations, we have a workshop in Gopeng, Perak, for repair and maintenance of our own buses. The foremen are properly equipped with personal protective equipment to ensure their safety during work. Employees on duty will also perform routine checking of premises for any issues which could potentially lead to workplace hazard.

### Petrol Station Operations

Perak Transit strictly adheres to the health, safety, security and environmental (“HSSE”) policies and procedures imposed by the oil companies under the HSSE requirements. Employees are trained to be readily alert to respond to any potential accidents such as fire, explosion, theft and injuries. Employees are encouraged to always wear personal protective equipment to minimise the risk of getting injured or ill health.

Labelling and information on safety usage of the services in our petrol stations are provided to ensure proper and safe handling. In FYE 2023, there were no recorded incident of non-compliance concerning product and service information and labelling, and marketing communications.



## SUSTAINABILITY STATEMENT

### *Safety Hazard Identification, Risk Assessment and Incident Investigation*

The Group has identified areas of high risk in our workplace and takes proactive actions in training our employees, as well as maintaining communication with customers to mitigate this risk.

The work-related incident investigation of our terminal operations is guided by our SOP that aims to effectively conduct investigations when work-related incidents occur, identify root causes and determine appropriate corrective actions to prevent similar incidents from happening in the future. Our nine-step SOP includes: incident reporting, hazard and risk assessment, formation of investigation team, root cause analysis, corrective actions, implementation and monitoring, improvement of management system, document records, and lastly, review and learning.

As for our petrol station operations, the processes of safety hazard identification, risk assessment and incident investigation are conducted by the oil companies under their respective HSSE requirements. For example, all petrol station managers are required to conduct daily station walk-about to identify any issues, problems, and risks/hazards. Any findings are to be reported to the management of our petrol station operations division, as well as the respective oil companies for further action.

For bus operations, we have a guide on hazards that are commonly encountered while driving, such as driving under high speed, dangerous and negligent driving, dangerous road conditions, fire incidents, driving along areas with no street lighting and near factories where factory workers walk across roads without paying attention. The guide stipulates the intensity of risk under each hazard and what should be done for risk control. In our telecommunication tower construction operations, hazard identification, risk assessment and risk control is conducted by the project manager and site safety supervisor.

### **Safety Committee**

Perak Transit has established a Safety Committee under our bus operations since 2019 to ensure that safety protocols are executed. The Safety Committee's role includes communicating information on the OHS risks, trends and policies to all employees involved in our bus operations. We have employees' representative on the Safety Committee to allow for a two-way communication on safety matters. A Safety Committee meeting is held monthly to achieve these objectives.

### **OHS Training and Participation**

The Group places importance on staff knowledge to instil a safe driving mindset and educate on bus route knowledge. In this regard, comprehensive training is given to all new recruits while existing drivers will have to undergo a refresher course. The Group also offers a series of training courses, remedial training, bus type training and advanced manoeuvring training for all our bus drivers. Employees are also given training on accident and incident handling and reporting to ensure employees are well prepared in the event of an accident or incident. The Group consistently provide OHS training for workers to ensure their knowledge is always up to date, while ensuring our work environment is safe and equipped with good facilities. Some of the OHS trainings provided by the Group in FYE 2023 include:

- First aid training
- Fire safety and emergency drill training
- SOP Briefing
- Bomba Training
- FMM Occupational Safety and Health Coordinator (OSH-C)

	FYE 2021	FYE 2022	FYE 2023
Number of employees trained on health and safety standards	30	7	22

### *Promotion of Worker Health*

Perak Transit values the health of our staff. Employees are entitled to a fixed amount of medical claims for common illnesses from clinics. In addition, the Group procures insurance policies relating to keyman for our key management personnel. The Group is proactive in promoting both physical and mental health awareness in all our workplace. Some of the effort include sharing of OSH Awareness posters in our headquarters and bus offices, as well as organising stress reducing programmes and dietary advice training for our employees. All medical and health information of employees are kept confidential by the Human Resource Department to ensure employee's personal health-related information is not used for any favourable or unfavourable treatment of workers.

## SUSTAINABILITY STATEMENT

### Work-Related Injuries and Ill-Health

The Group aims to achieve zero workplace fatality annually. There were no fatalities as a result of work-related injuries or work-related ill health in FYE 2023. For the year under review, there were one (1) recordable work-related injury. The total lost days due to this injury was seven (7) days.

Work-Related Incident	FYE 2021	FYE 2022	FYE 2023
Number of fatalities as a result of work-related injuries	0	0	0
Number of high-consequence work-related injuries	0	0	0
Number of recordable work-related injuries	1	6	1
Number of lost time injuries	1	6	1
Total lost days	17	112	7
Number of close calls	0	0	0

Incident Rate per Million Hours Worked	FYE 2021	FYE 2022	FYE 2023
Total working hours	648,960	630,656	612,300
Rate of fatalities as a result of work-related injuries	0.0	0.0	0.0
Rate of high-consequences work-related injuries	0.0	0.0	0.0
Rate of recordable work-related injuries	1.5	9.5	1.6
Lost time injury frequency rate	1.5	9.5	1.6

Work-Related Ill Health	FYE 2021	FYE 2022	FYE 2023
Number of fatalities as a result of work-related ill health	0	0	0
Number of recordable work-related ill health	0	0	0

Below is the summary of incidents and actions taken in FYE 2023:

Type of Injury	Root Cause	Corrective Action
Bus Operations – Hairline fracture to left thumb	Human Error – Accidental contact with metal spring, resulting in injury. Employee did not feel much pain and continued working, which may have aggravated the injury	Administrative Control – Employee has been advised to be more careful when working with springs or heavy loads

To minimise any kind of work-related incident happening in our workplace, we have implemented more workplace inspections to improve workplace safety and also provided more safety training to our employees to increase their safety awareness.

### Bus Maintenance and Safety

In ensuring the safety of bus drivers and passengers, the buses operated by the Group are well maintained and regularly serviced. The Group has 152 buses, comprising 114 stage buses, 33 express buses and 5 Perak Hop-On Hop-Off buses as at the end of FYE 2023. All buses of the Group undergo a strict maintenance schedule which includes monthly servicing and a semi-annual or annual inspection by Puspakom.

In FYE 2023, the stage buses operated by the Group has an average age of ten (10) years, which is lower than the normal useful life of fifteen (15) years for stage buses. Meanwhile, the express buses operated by us have an average age of seven (7) years, which is also lower than the normal useful life of ten (10) years for express buses.

GPS and CCTV cameras are installed in the buses to provide security to the bus drivers as well as passengers. We have a total of 137 and 44 units at Terminal Meru Raya and Kampar Putra Sentral respectively. More CCTV cameras are expected to be installed at Kampar Putra Sentral subsequently.

With regard to customer privacy and personal data protection, the Group has established proper guidelines to prevent inappropriate disclosure of personal data. Stickers are posted on all buses to inform passengers of the presence of CCTV cameras. Recordings from the CCTV cameras will only be assessed by authorised personnel for security and incident investigations. Our operations are assessed for improvement in terms of their health and safety impacts to customers. In FYE 2023, there are no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our services.



## SUSTAINABILITY STATEMENT

### Material Topic: Human and Labour Rights

#### Definition of Material Topic

Protection of the fundamental rights and freedoms of employees in our workplace.

#### Why is This Topic Material to Us?

Respecting human and labour rights is essential for us to foster a respectful, lawful and ethical working environment.

#### Risks

1. Non-compliance can lead to fines and damage to the Company's legal standing.
2. Ignoring employee rights can lead to dissatisfaction and even strikes, disrupting operations.
3. Ineffectively managing employee grievances and disputes can lead to unrest and legal complications.

#### Opportunities

1. Ensuring adherence to local labour laws.
2. Managing cultural and regional differences in labour practices.
3. Addressing grievances and ethical concerns effectively.

### Management Approach

Perak Transit has effective policies in place which addresses workplace Gender Diversity and Sexual Harassment. Such policies ensure a safe working environment exists for all employees and promotes a good and conducive work environment which in turns enhances productivity. Employees are given notice at least one week in advance on any significant changes in operations or working conditions to avoid any potential negative impacts from significant operational changes.

Perak Transit does not employ children under the age of 18 and the Group ensures that it does not contravene the Children and Young Persons (Employment) Act 1966. The Group also prohibits any kind of forced labour in our workforce and respects the rights of employees to freely participate in trade unions and workers' organisations, as well as collective bargaining.

We have communicated to all our employees and workers about our grievance procedures through the whistleblowing policy and employee handbook to report anonymously any violation of labour practices, disputes and inappropriate behaviour regarding human rights and labour standards. In FYE 2023, there were no incidents concerning human rights and labour standards violations.

	FYE 2021	FYE 2022	FYE 2023
Number of substantiated complaints concerning human rights violations	0	0	0

### Material Topic: Community Engagement

#### Definition of Material Topic

The active participation, partnership and engagement with the communities in which the business operates in.

#### Why is This Topic Material to Us?

Engaging with the community is vital to understand and meet the needs of our customers and to enhance our corporate social responsibility.

#### Risks

1. Community might resist new projects or expansions by the Group, leading to delays and extra costs.
2. Failure to engage can cause loss of community support.
3. Strained relationship with local authorities, affecting permits and cooperation for future projects.

#### Opportunities

1. Aligning business goals with community expectations.
2. Managing diverse community needs and interests.
3. Ensuring long-term commitment and follow-through.

## SUSTAINABILITY STATEMENT

### Management Approach

#### Contributing Positive Economic Impacts

As a committed corporate member, Perak Transit is dedicated to making a meaningful difference in our community. We focus on giving back and creating a sustainable society through various initiatives and social responsibility programs. Since inception, all four operations under the Group have impacted our community and local economies, both directly and indirectly.

The Group supports the transportation infrastructure of Malaysia by developing, owning and operating integrated public transportation terminals, providing terminal management services and public transportation services. We thrive to support the nation's transportation by improving the public infrastructure and transportation of our country to improve the living standard of our people.

Being an operator of integrated public transportation terminals and buses, Perak Transit supports and benefits Perak's economy via its role of commuting people and creating jobs. Thanks to our close collaboration with the Federal and Perak State Government, our deeply connected bus routes help to link up towns and villages in Perak that were previously inaccessible due to their remote locations.

In FYE 2023, the Group has facilitated 1,615,441 passengers under our bus operations which represents an increase of 7.2% from prior year of 1,506,272 passengers, to carry out daily economic activities including work, business and purchase of daily necessities. The Group will also be adding Bas Perak Sejahtera services in other districts to facilitate more passengers.

From our terminal operations, we have serviced 1,139,764 ticket-purchasing passengers under Terminal Meru Raya (2022: 1,130,528 ticket-purchasing passengers) and 16,466 ticket-purchasing passengers under Kampar Putra Sentral (2022: 18,717 ticket-purchasing passengers).

Business Segment	Impact on Local Communities
Integrated public transportation terminal	<ul style="list-style-type: none"> <li>Improve public infrastructure and transportation services</li> <li>Support economic development in second tier cities</li> <li>Job creation in the supply chain</li> </ul>
Bus	<ul style="list-style-type: none"> <li>Improve public infrastructure and transportation services</li> <li>Support economic development in second tier cities</li> <li>Job creation in the supply chain</li> </ul>
Petrol station	<ul style="list-style-type: none"> <li>Improve public infrastructure and transportation services</li> <li>Support global economy</li> <li>Job creation in the supply chain</li> </ul>
Telecommunication tower construction	<ul style="list-style-type: none"> <li>Improve telecommunication infrastructure and access to network services in rural area to support government initiatives</li> <li>Support local economic development through local procurements</li> <li>Improve accessibility within the site location, i.e. build culvert and drain to divert rain and avoid flood, slope protection to avoid soil erosion, and good access road to benefit local citizen</li> </ul>



## SUSTAINABILITY STATEMENT

### Community Engagement Program

As a responsible corporate citizen, we constantly contribute to our local communities via corporate social responsibility (“CSR”) programmes. Perak Transit has contributed to the following programmes throughout the Group in the year under review:

- Donation of RM9,100 to seven (7) charities and community welfare organisations
- Sponsorship with monetary value amounting to RM72,318.14 to five (5) community organisations and educational institutions in Perak, Malaysia
- Hosted the Karnival Digital Perak 2023
- Provided Hop-On Hop-Off buses for a run event in Taiping, Perak

	Unit	FYE 2021	FYE 2022	FYE 2023
Total amount invested in the community	RM	47,983	17,514	<b>81,418</b>
Total number of beneficiaries of the investment in communities	Number	9	5	<b>12</b>



Karnival Digital Perak 2023



Free bus services for Program Larian Hari Keputeraan Sultan Nazrin Shah Tahun 2023

## GOVERNANCE

### Material Topic: Corporate Governance

#### Definition of Material Topic

Corporate Governance ensures the Group’s transparency, accountability and fairness are available for all stakeholders.

#### Why is This Topic Material to Us?

In our existing business landscape, regulations have been expanding to cover wider areas that are both general and industry specific. Corporate governance serves as the foundational framework that guides our strategic decision-making, ethical conduct and overall accountability.

Risks	Opportunities
<ol style="list-style-type: none"> <li>1. Non-compliance with laws, regulations and standards may lead to legal penalties, fines and reputational damage.</li> <li>2. Ineffective corporate governance may impair investors’ confidence in the Group.</li> </ol>	<ol style="list-style-type: none"> <li>1. Strong corporate governance ensures that all stakeholders’ interests are well protected.</li> </ol>

## SUSTAINABILITY STATEMENT

### Management Approach

#### Regulatory Compliance and Group Policies

Our business is primarily exposed to regulatory risks coming from anti-bribery and anti-corruption, as well as those under environment and social aspects. On corporate governance-related matters, we have established adequate policies and processes within our systems such as:

- Board Charter
- Anti-Corruption and Anti-Bribery Policy
- Whistle Blowing Policy
- Directors' Fit & Proper Policy
- Code of Conduct

These policies and processes are ultimately tied back to recommendations from Malaysian Code on Corporate Governance, related requirements from the Malaysian Anti-Corruption Commission Act and any related guidance documents. The policies are regularly reviewed to ensure that it complies to the everchanging business landscape. In FYE 2023, we did not record any incidents of non-compliance with laws and regulations.

#### Code of Conduct

The Group recognises the importance of a good corporate culture to operate businesses and affairs in an ethical and professional manner and to uphold the highest standards of integrity and behaviour in all activities conducted by the Group.

We have established a code of conduct that makes references to all related Group policies. The code of conduct outlines behavioural expectations to be aligned to by all employees, covering elements of non-discrimination, continued passion towards excellence, etc. Other areas of conducts include areas such as Conflicts of Interest, Business Courtesies and Gifts, and Fair and Courteous Behaviour. These principles have been sufficiently communicated and embedded within all our staff across all directors, officers and employees.

The details of the Code of Conduct are available for reference on the Company's website at [www.peraktransit.com.my](http://www.peraktransit.com.my). In FYE 2023, we did not record any incidents of non-compliance and breach of ethical issues.

#### Anti-Corruption and Anti-Bribery

As a good corporate citizen, Perak Transit takes a strong stance of zero tolerance against corruption and bribery. To implement this principle, we have outlined an Anti-Corruption and Anti-Bribery ("**ACAB**") Policy that is available on the Company's website at [www.peraktransit.com.my](http://www.peraktransit.com.my). Within the document, clear definitions, responsibilities, escalation methods, etc are provided. We encourage any such ACAB related information from stakeholders be reported to us via our whistle-blower channel, clearly established within our Whistle Blowing Policy of the Group. On top of our non-retaliation stance on whistle-blowers, anonymity is also offered to the reporter to encourage reports. Further, independency of the whistle-blowing channel is also safeguarded as any of such reports may be directed to our Chairman or Managing Director, with clear follow-up structures in place to ensure actions are taken where necessary. In FYE 2023, we are proud to announce that we have received zero whistle-blowing cases.

The Group adopts the T.R.U.S.T principles and strives to follow the Adequate Procedure Guidelines as mentioned in the Section 17A of the Malaysian Anti-Corruption Commission (Amendment) Act 2018. The Group is committed to continuous due diligence on 100% of its operations to eliminate and prevent any occurrence of corruption and bribery within the Group. With this, the Group has on 1 October 2023 introduced the Employee's ACAB Declaration where a declaration is required when amount of a gift/token or the meal treats exceeded RM200 for managerial level and RM100 for non-managerial level. These principles have been sufficiently communicated and embedded within all our staff across all directors, officers and employees as well as our business partners. There were no recorded incidents of corruption in FYE 2023.

	FYE 2021	FYE 2022	FYE 2023
Percentage of operations assessed for corruption-related risks	100%	100%	100%
Confirmed incidents of corruption and action taken	0	0	0

In FYE 2023, new employees are provided with communication and trainings on ACAB to ensure all employees are well informed on ACAB matters. Existing employees are also provided with an Annual Refresher Training to communicate on the importance of ACAB matters.



## SUSTAINABILITY STATEMENT

<b>Number and Percentage of Employees that the ACAB Policies have been communicated to</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
General Employee	216* 100%*	216* 100%*	<b>199</b> <b>100%</b>
Middle Management	34* 100%*	26* 100%*	<b>46</b> <b>100%</b>
Senior Management	17* 100%*	19* 100%*	<b>22</b> <b>100%</b>
Total	267* 100%*	261* 100%*	<b>267</b> <b>100%</b>

*Notes:*

*Number of employees includes resigned employees.*

*\*Restated the figures for FYE 2021 and FYE 2022 to reflect the number of employees as at 31 December of the respective year*

<b>Number and Percentage of Employees that have received training on ACAB</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>
General Employee	87 40%	84 39%	<b>199</b> <b>100%</b>
Middle Management	5 15%	11 42%	<b>46</b> <b>100%</b>
Senior Management	4 24%	1 5%	<b>22</b> <b>100%</b>
Total	96 36%	96 37%	<b>267</b> <b>100%</b>

*Note: Number of employees includes resigned employees.*

Our ACAB policy is published on the Company's website and is available to all our business partners and affiliates, along with additional Anti-Bribery and Corruption awareness slides and forms to declare their acknowledgement to the Group's ACAB policies. In FYE 2023, 24 or 11% of our business partners have been provided with awareness and declaration regarding the Group's ACAB policies.

### **Board Independence and Diversity**

Throughout the years, we have made good progress on improving our independence and diversity which includes the following initiatives:

- Maintaining the composition of independent directors and women directors in our Board.
- Chairman of our Board is not the member of the Audit Committee, Nomination and Remuneration Committee and Risk Management and Sustainability Committee.
- Audit Committee and Nomination and Remuneration Committee are entirely comprising of independent directors.
- Established Risk Management and Sustainability Committee which comprises a majority of independent directors to oversee the Company's risk management framework and policies and sustainability issues.
- Maintaining a Directors' Fit and Proper Policy which serves as a guide to the Nomination and Remuneration Committee and our Board as a whole in the review and assessment of our Directors.

## SUSTAINABILITY STATEMENT

The Group strives to promote diversity and increase female representation at our Board level as recommended by the Malaysian Code on Corporate Governance. The composition of our Board are as follows:

Board of Directors Breakdown	Unit	FYE 2021	FYE 2022	FYE 2023
Total Board of Directors	Headcount	7	7	7
Breakdown by gender:				
Female	Headcount	2	2	2
	%	28.6	28.6	28.6
Male	Headcount	5	5	5
	%	71.4	71.4	71.4
Breakdown by age group:				
<30 years	Headcount	0	0	0
	%	0.0	0.0	0.0
30-50 years	Headcount	0	0	0
	%	0.0	0.0	0.0
> 50 years	Headcount	7	7	7
	%	100.0	100.0	100.0

### *Nomination and Remuneration Committee*

The Nomination and Remuneration Committee, comprising three (3) independent non-executive directors, is tasked with proposing new nominees for our Board's appointment. This includes making recommendations for approval on the appointment, re-appointment, re-election and annual assessment of directors. The annual assessment covers several areas:

- Individual director attributes, such as professionalism, industry knowledge, specific competencies, business acumen, strategic vision, integrity, attendance, active participation, teamwork, and more.
- Board structure, assessing if our Board has an appropriate mix of skills and experience to meet the Company's requirements.
- Board operations and interactions, focusing on the conduct of Board meetings and communication.
- Board roles and responsibilities, including strategy planning, performance management, risk management, and succession planning.

Additionally, the Committee conducts an annual review of the term of office and performance of the Audit Committee's members, as well as the Audit Committee as a whole, assessing their adherence to their terms of reference.

The Chairman of the Nomination and Remuneration Committee presents the overall results of the evaluation process and any recommended improvements to our Board, addressing the performance of both the Audit Committee and its members, and our Board as a whole.



# SUSTAINABILITY STATEMENT

## Sustainability Performance Report 2023

Indicator	Measurement Unit	2023
<b>Bursa (Data privacy and security)</b>		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
<b>Bursa (Supply chain management)</b>		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
<b>Bursa (Energy management)</b>		
Bursa C4(a) Total energy consumption	Megawatt	31,010.27
<b>Bursa (Water)</b>		
Bursa C9(a) Total volume of water used	Megalitres	58.140000
<b>Bursa (Labour practices and standards)</b>		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	169
Middle Management	Hours	135
General Worker	Hours	953
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	14.61
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	1
Middle Management	Number	22
General Worker	Number	77
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
<b>Bursa (Diversity)</b>		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Senior Management Under 30	Percentage	13.64
Senior Management Between 30-50	Percentage	27.27
Senior Management Above 50	Percentage	59.09
Middle Management Under 30	Percentage	28.26
Middle Management Between 30-50	Percentage	52.17
Middle Management Above 50	Percentage	19.57
General Worker Under 30	Percentage	16.58
General Worker Between 30-50	Percentage	48.24
General Worker Above 50	Percentage	35.18
Gender Group by Employee Category		
Senior Management Male	Percentage	68.18
Senior Management Female	Percentage	31.82
Middle Management Male	Percentage	41.30
Middle Management Female	Percentage	58.70
General Worker Male	Percentage	87.44
General Worker Female	Percentage	12.56
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	71.43
Female	Percentage	28.57
Under 30	Percentage	0.00
Between 30-50	Percentage	0.00
Above 50	Percentage	100.00
<b>Bursa (Health and safety)</b>		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	1.63
Bursa C5(c) Number of employees trained on health and safety standards	Number	22
<b>Bursa (Community/Society)</b>		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	81,418.00
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	12
<b>Bursa (Anti-corruption)</b>		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	100.00
Middle Management	Percentage	100.00
General Worker	Percentage	100.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0

## SUSTAINABILITY STATEMENT

### **GRI CONTENT INDEX**

This report has been prepared in accordance with the GRI Standards for the period of FYE 2023.

<b>GRI-Code</b>	<b>Description</b>	<b>Reference</b>
<b>GRI 2: General Disclosures 2021</b>		
<i>The organisation and its reporting practices</i>		
2-1	Organisational details	Corporate Information, page 4
2-2	Entities included in the organisation's sustainability reporting	Statement Overview, page 31
2-3	Reporting period, frequency and contact point	Statement Overview, page 31
2-4	Restatements of information	Restatements of information is disclosed at the relevant sections, where applicable.
2-5	External assurance	Statement Overview, page 31
<i>Activities and workers</i>		
2-6	Activities, value chain and other business relationships	Management Discussion and Analysis, pages 12-16
2-7	Employees	Workforce Management, pages 50-56
2-8	Workers who are not employees	Perak Transit does not have any workers who are not employees.
<i>Governance</i>		
2-9	Governance structure and composition	Profile of Directors, pages 6-9, Key Management Personnel, page 10 Sustainability Governance, page 32
2-10	Nomination and selection of the highest governance body	Corporate Governance Overview Statement, pages 17-29
2-11	Chair of the highest governance body	Profile of Directors, pages 6-9
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32
2-13	Delegation of responsibility for managing impacts	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32
2-15	Conflicts of interest	Profile of Directors, pages 6-9, Corporate Governance, pages 63-66
2-16	Communication of critical concerns	Corporate Governance, pages 63-66
2-17	Collective knowledge of the highest governance body	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32 Corporate Governance, pages 63-66
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32 Corporate Governance, pages 63-66
2-19	Remuneration policies	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32 Corporate Governance, pages 63-66



## SUSTAINABILITY STATEMENT

<b>GRI-Code</b>	<b>Description</b>	<b>Reference</b>
<b>GRI 2: General Disclosures 2021</b>		
<i>Governance (Cont'd)</i>		
2-20	Process to determine remuneration	Corporate Governance Overview Statement, pages 17-29 Sustainability Governance, page 32 Corporate Governance, pages 63-66
2-21	Annual total compensation ratio <i>Strategy, policies and practices</i>	To be applied in future.
2-22	Statement on sustainable development strategy	Business Strategies and Outlook, page 16, Sustainability Statement, pages 31-73
2-23	Policy commitments	Corporate Governance Overview Statement, pages 17-29 Corporate Governance, pages 63-66
2-24	Embedding policy commitments	Corporate Governance Overview Statement, pages 17-29 Corporate Governance, pages 63-66
2-25	Processes to remediate negative impacts	Corporate Governance Overview Statement, pages 17-29 Human and Labour Rights, page 61 Corporate Governance, pages 63-66
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance Overview Statement, pages 17-29 Human and Labour Rights, page 61 Corporate Governance, pages 63-66
2-27	Compliance with laws and regulations	Corporate Governance Overview Statement, pages 17-29 Corporate Governance, pages 63-66
2-28	Membership associations	Not applicable.
<i>Stakeholder engagement</i>		
2-29	Approach to stakeholder engagement	Stakeholder Engagement, pages 32-33
2-30	Collective bargaining agreements	Human and Labour Rights, page 61
<b>GRI 3: Material Topics 2021</b>		
3-1	Process to determine material topics	Materiality Assessment, page 34
3-2	List of material topics	Materiality Assessment, page 34
3-3	Management of material topics	Sustainability Statement, pages 31-73
<b>GRI 201: Economic Performance 2016</b>		
201-1	Direct economic value generated and distributed	Economic Performance, pages 35-37 Financial Statements, pages 93-101
201-2	Financial implications and other risks and opportunities due to climate change	Economic Performance, pages 35-37
201-3	Defined benefit plan obligations and other retirement plans	Financial Statements, pages 93-101
201-4	Financial assistance received from government	Economic Performance, pages 35-37 Financial Statements, pages 93-101

## SUSTAINABILITY STATEMENT

<b>GRI-Code</b>	<b>Description</b>	<b>Reference</b>
<b>GRI 202: Market Presence 2016</b>		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Economic Performance, pages 35-37
202-2	Proportion of senior management hired from the local community	Workforce Management, pages 50-56
<b>GRI 203: Indirect Economic Impacts 2016</b>		
203-1	Infrastructure investments and services supported	Community Engagement, pages 61-63
203-2	Significant indirect economic impacts	Community Engagement, pages 61-63
<b>GRI 204: Procurement Practices 2016</b>		
204-1	Proportion of spending on local suppliers	Supply Chain Management, pages 39-40
<b>GRI 205: Anti-corruption 2016</b>		
205-1	Operations assessed for risks related to corruption	Corporate Governance, pages 63-66
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance, pages 63-66
205-3	Confirmed incidents of corruption and actions taken	Corporate Governance, pages 63-66
<b>GRI 206: Anti-competitive Behavior 2016</b>		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	In FYE 2023, there were no legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.
<b>GRI 207: Tax 2019</b>		
207-1	Approach to tax	Economic Performance, pages 35-37
207-2	Tax governance, control, and risk management	Economic Performance, pages 35-37
207-3	Stakeholder engagement and management of concerns related to tax	Economic Performance, pages 35-37
<b>GRI 301: Materials 2016</b>		
301-1	Materials used by weight or volume	Natural Resource Management, pages 40-49
301-2	Recycled input materials used	Natural Resource Management, pages 40-49
301-3	Reclaimed products and their packaging materials	Natural Resource Management, pages 40-49
<b>GRI 302: Energy 2016</b>		
302-1	Energy consumption within the organisation	Natural Resource Management, pages 40-49
302-2	Energy consumption outside of the organisation	Natural Resource Management, pages 40-49
302-3	Energy intensity	Natural Resource Management, pages 40-49
302-4	Reduction of energy consumption	Natural Resource Management, pages 40-49
302-5	Reductions in energy requirements of products and services	Natural Resource Management, pages 40-49
<b>GRI 303: Water and Effluents 2018</b>		
303-1	Interactions with water as a shared resource	Natural Resource Management, pages 40-49
303-2	Management of water discharge-related impacts	Natural Resource Management, pages 40-49
303-3	Water withdrawal	Natural Resource Management, pages 40-49
303-4	Water discharge	Natural Resource Management, pages 40-49
303-5	Water consumption	Natural Resource Management, pages 40-49



## SUSTAINABILITY STATEMENT

<b>GRI-Code</b>	<b>Description</b>	<b>Reference</b>
<b>GRI 304: Biodiversity 2016</b>		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Natural Resource Management, pages 40-49
304-2	Significant impacts of activities, products and services on biodiversity	Natural Resource Management, pages 40-49
304-3	Habitats protected or restored	Not applicable. Perak Transit does not operate in these areas.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable. Perak Transit does not operate in these areas.
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	Natural Resource Management, pages 40-49
305-2	Energy indirect (Scope 2) GHG emissions	Natural Resource Management, pages 40-49
305-3	Other indirect (Scope 3) GHG emissions	Natural Resource Management, pages 40-49
305-4	GHG emissions intensity	Natural Resource Management, pages 40-49
305-5	Reduction of GHG emissions	Natural Resource Management, pages 40-49
305-6	Emissions of ozone-depleting substances (ODS)	Natural Resource Management, pages 40-49
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Natural Resource Management, pages 40-49
<b>GRI 306: Waste 2020</b>		
306-1	Waste generation and significant waste-related impacts	Natural Resource Management, pages 40-49
306-2	Management of significant waste-related impacts	Natural Resource Management, pages 40-49
306-3	Waste generated	Natural Resource Management, pages 40-49
306-4	Waste diverted from disposal	Natural Resource Management, pages 40-49
306-5	Waste directed to disposal	Natural Resource Management, pages 40-49
<b>GRI 308: Supplier Environmental Assessment 2016</b>		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management, pages 39-40
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management, pages 39-40
<b>GRI 401: Employment 2016</b>		
401-1	New employee hires and employee turnover	Workforce Management, pages 50-56
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workforce Management, pages 50-56
401-3	Parental leave	Workforce Management, pages 50-56
<b>GRI 402: Labor/Management Relations 2016</b>		
402-1	Minimum notice periods regarding operational changes	Human and Labour Rights, page 61

## SUSTAINABILITY STATEMENT

GRI-Code	Description	Reference
<b>GRI 403: Occupational Health and Safety 2018</b>		
403-1	Occupational health and safety management system	Health and Safety, pages 57-60
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety, pages 57-60
403-3	Occupational health services	Health and Safety, pages 57-60
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety, pages 57-60
403-5	Worker training on occupational health and safety	Health and Safety, pages 57-60
403-6	Promotion of worker health	Health and Safety, pages 57-60
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, pages 57-60
403-8	Workers covered by an occupational health and safety management system	Health and Safety, pages 57-60
403-9	Work-related injuries	Health and Safety, pages 57-60
403-10	Work-related ill health	Health and Safety, pages 57-60
<b>GRI 404: Training and Education 2016</b>		
404-1	Average hours of training per year per employee	Workforce Management, pages 50-56
404-2	Programs for upgrading employee skills and transition assistance programs	Workforce Management, pages 50-56
404-3	Percentage of employees receiving regular performance and career development reviews	Workforce Management, pages 50-56
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
405-1	Diversity of governance bodies and employees	Corporate Governance, pages 63-66
405-2	Ratio of basic salary and remuneration of women to men	To be applied in future.
<b>GRI 406: Non-discrimination 2016</b>		
406-1	Incidents of discrimination and corrective actions taken	Workforce Management, pages 50-56
<b>GRI 407: Freedom of Association and Collective Bargaining 2016</b>		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human and Labour Rights, page 61
<b>GRI 408: Child Labor 2016</b>		
408-1	Operations and suppliers at significant risk for incidents of child labour	Human and Labour Rights, page 61
<b>GRI 409: Forced or Compulsory Labor 2016</b>		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human and Labour Rights, page 61
<b>GRI 411: Rights of Indigenous Peoples 2016</b>		
411-1	Incidents of violations involving rights of indigenous peoples	In FYE 2023, there were no incidents of violations involving rights of indigenous peoples.



## SUSTAINABILITY STATEMENT

<b>GRI-Code</b>	<b>Description</b>	<b>Reference</b>
<b>GRI 413: Local Communities 2016</b>		
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement, pages 61-63
413-2	Operations with significant actual and potential negative impacts on local communities	Community Engagement, pages 61-63
<b>GRI 414: Supplier Social Assessment 2016</b>		
414-1	New suppliers that were screened using social criteria	Supply Chain Management, pages 39-40
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management, pages 39-40
<b>GRI 416: Customer Health and Safety 2016</b>		
416-1	Assessment of the health and safety impacts of product and service categories	Health and Safety, pages 57-60
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, pages 57-60
<b>GRI 417: Marketing and Labeling 2016</b>		
417-1	Requirements for product and service information and labeling	Health and Safety, pages 57-60
417-2	Incidents of non-compliance concerning product and service information and labelling	Health and Safety, pages 57-60
417-3	Incidents of non-compliance concerning marketing communications	Health and Safety, pages 57-60
<b>GRI 418: Customer Privacy 2016</b>		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Satisfaction, page 38

## AUDIT COMMITTEE REPORT

The Audit Committee was established by the Board of Directors (“**Board**”) on 23 September 2015 to assist the Board in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, related party transactions and the internal and external audit processes of the Company. The Audit Committee also plays a key role in the Company’s corporate governance structure.

The terms of reference (‘TOR’) of the Audit Committee is available for reference on the Company’s website at [www.peraktransit.com.my](http://www.peraktransit.com.my).

### COMPOSITION AND MEETING ATTENDANCE

The Audit Committee comprises three (3) independent non-executive directors. All of members of the Audit Committee are financially literate, competent and are able to understand matters under the purview of the Audit Committee, including the financial reporting process.

The Audit Committee scheduled to convene at least four (4) meetings a year, with additional meetings to be convened at any time at the Chairman’s discretion and if requested by any of its member or the internal or external auditors. The Committee may meet with the external auditors, the internal auditors or both without the attendance of executive directors and employees of the Company, whenever deemed necessary. The Committee may also invite any person to be in attendance at each meeting.

In carrying out its duties, the Audit Committee reported to and updated the Board on significant issues and concerns discussed during the Audit Committee’s meetings and where appropriate, made necessary recommendations to the Board. The secretary is responsible for recording all proceedings and minutes of all meetings of the Audit Committee.

During the financial year 2023, the Audit Committee has convened four (4) meetings on 22 February 2023, 22 May 2023, 16 August 2023 and 15 November 2023.

The attendance of members in 2023 is as follows:

<b>Name of Members</b>	<b>Scheduled meetings</b>	<b>Attendance</b>
Ng Wai Luen (Chairman) <i>Independent Non-Executive Director</i>	4	4
Dato’ Haji Mohd Gazali Bin Jalal (Member) <i>Independent Non-Executive Director</i>	4	4
Azian Binti Kassim (Member) <i>Independent Non-Executive Director</i>	4	4

The Nomination and Remuneration Committee has conducted annual review, on self and peer assessment basis, of the term of office and performance of the Audit Committee and its members and, based on the review, the Board is satisfied that the Audit Committee as a whole and its members have discharged their duties and responsibilities competently and efficiently in accordance with the terms of reference of the Audit Committee.

On 22 February 2024, the Audit Committee reviewed this Audit Committee Report for inclusion in the Annual Report 2023 of the Company.



## AUDIT COMMITTEE REPORT

### SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The summary of the works and key activities undertaken by the Audit Committee during the financial year 2023 comprised the following:

#### 1. Financial Reporting

##### a. Review of Quarterly Reports

The Audit Committee received briefings by the management on the unaudited financial quarterly results during its scheduled quarterly meetings and is updated on significant matters related to the financial results and position of the Company and its subsidiaries ("**Group**") and ascertained whether the reported financial results are consistent with operational and other information known.

The Audit Committee deliberated and reviewed the unaudited interim financial reports with the management during its scheduled quarterly meetings before recommending the reports to the Board for consideration and approval prior to the announcements made to Bursa Malaysia Securities Berhad ("**Bursa Securities**").

##### b. Reviewed of Audited Financial Statements

The Audit Committee received and considered the 'Audit Committee Closing Presentation' presented by the external auditors, Messrs Moore Stephens Associates PLT ("**Moore**") in respect of the audited financial results of the Company for the financial year ended 31 December 2022, outlining the major audit findings arising from the audit and the responses from the management.

The Audit Committee deliberated and reviewed the audit findings relating to the revenue, valuation of property, plant and equipment and trade receivables. Thereafter, the Audit Committee reviewed the audited financial statements for the financial year then ended before recommending the audited financial statements to the Board for consideration and approval.

##### c. Review of Group Budget

The Audit Committee received updates of half-yearly financial results in comparison to the budget of the Group for the financial year ended 31 December 2022 and 31 December 2023 during its scheduled quarterly meetings.

The Audit Committee deliberated and reviewed the budget of the Group for the financial year ending 31 December 2024 and recommended the same to the Board for approval and adoption.

##### d. Review of Statements

During the financial year ended 31 December 2022, the Audit Committee reviewed the following statements before recommending the same to the Board for approval and for inclusion in the Company's Annual Report 2022:

- Audit Committee Report; and
- Corporate Governance Overview Statement.

The Audit Committee has also considered the proposed adoption of Employee Anti-Bribery and Anti-Corruption Declaration and reviewed the amendment of Whistle Blowing Policy of the Group before recommending the same to the Board for approval.

## AUDIT COMMITTEE REPORT

### 2. External Audit

#### a Suitability, Objectivity and Independence of External Auditors

The Audit Committee deliberated and carried out its assessment on the suitability, objectivity and independence of Moore as the external auditors of the Company based on the following criteria:

- the performance, technical competency, audit quality, sufficiency of resources and allocation of audit staff assigned to the 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 independence criteria set out by the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (including International Independence Standards).

The Audit Committee was satisfied as to the suitability, objectivity, independence, technical competency and professionalism demonstrated by Moore which were in accordance with paragraph 15.21 of the Main Market Listing Requirements of Bursa Securities and recommended to the Board for the re-appointment of Moore as external auditors of the Company at the Annual General Meeting.

At the Annual General Meeting held on 22 May 2023, the shareholders have passed an ordinary resolution to re-appoint Moore as auditors of the Company to hold office until the conclusion of the next Annual General Meeting.

#### b. 2023 Audit Planning Memorandum

The Audit Committee received and considered the Audit Planning Memorandum in respect of the audit of the financial statements of the Company for the financial year ended 31 December 2023, presented by Moore, outlining the audit scope of works, fraud consideration, areas of audit emphasis, audit approach and timeline. The Audit Committee deliberated and adopted the Audit Planning Memorandum before recommending to the Board for consideration and approval.

Moore declared that they have complied with the requirements for independence in accordance with the International Standard on Auditing 260 – Communication with Those Charged with Governance. Moore had also confirmed that the partners and staff of Moore engaged in the audit of the Group do not hold any direct or indirect financial interest in the Group and are not connected with the Group which may impair their independence.

#### c. Independent Meeting Sessions

The Audit Committee has two (2) independent meeting sessions during the financial year 2023 with Moore, without the presence of the executive personnel of the Company.

Moore reported that during the course of the audit of the financial statements for the financial year ended 31 December 2022, good cooperation had been provided by the management and staff of the Group and there were no major issues or concern as well as no sign of fraud identified that required them to report to the Audit Committee.

#### d. Audit and Non-Audit Fees

The Audit Committee deliberated and reviewed the audit fees in respect of the financial year ended 31 December 2023 together with non-audit fees which comprises the review of Statement on Risk Management and Internal Control pursuant to the Main Market Listing Requirements of Bursa Securities. The total fees for the Group for the financial year 2023 are RM174,000 which is a 2.35% increase from that of the previous year's audit.

The amount of audit fees and non-audit fees payable to Moore in respect of the financial year ended 31 December 2023 are as follows:

	Audit fees (RM)	Non-Audit fees (RM)
Company	55,000	5,000
Group	169,000	5,000



## AUDIT COMMITTEE REPORT

### 3. Internal Audit

In its oversight of the internal audit process, during the financial year 2023, the Audit Committee met with the internal auditors, representatives of JWC Consulting Sdn Bhd (“**JWC**”), four (4) times on 22 February 2023, 22 May 2023, 16 August 2023 and 15 November 2023.

The Audit Committee received briefings by the internal auditors on the following internal audit reports presented during during its scheduled quarterly meetings, namely:

- Financial quarter ended 31 March 2023
  - Review on the internal control systems on credit control and sales and marketing of The Combined Bus Services Sdn Bhd (“**The Combined Bus**”), credit control of Terminal Urus Sdn Bhd (“**Terminal Urus**”), construction status of Terminal Bidor and trade receivables of the Group.
- Financial quarter ended 30 June 2023
  - Review on the internal control systems on human resources management of the Group, construction status of Terminal Bidor and trade receivables of the Group.
- Financial quarter ended 30 September 2023
  - Review on the internal control systems on sales and marketing and credit control of The Combined Bus, Ipoh Link Sdn Bhd (“**Ipoh Link**”) and Syarikat Sumber Manusia Sdn Bhd (“**Syarikat Sumber Manusia**”), anti-bribery and anti-corruption policies and practices of the Company, construction status of Terminal Bidor and trade receivables of the Group.
- Follow-up report for the financial quarter ended 31 December 2023
  - Follow up reviews on:
    - (i) Financial quarter ended 30 June 2022 – Property, plant and equipment management and general safety and security of The Combined Bus, Ipoh Link, Syarikat Sumber Manusia and Terminal Urus;
    - (ii) Financial quarter ended 30 September 2022 – Management information systems, fleet management and inventory management of The Combined Bus, Syarikat Sumber Manusia and Terminal Urus;
    - (iii) Financial quarter ended 31 March 2023 – Credit control and sales and marketing of The Combined Bus and Terminal Urus;
    - (iv) Financial quarter ended 30 June 2023 – Human resources management of the Group; and
    - (v) Financial quarter ended 30 September 2023 – Credit Control and sales and marketing of The Combined Bus, Ipoh Link, Syarikat Sumber Manusia and Terminal Urus and anti-bribery and anti-corruption policies and practices of the Company.

The Audit Committee deliberated and reviewed the internal audit reports presented and considered the internal auditors’ recommendations and took into account the management’s responses on the audit findings before recommending the reports to the Board for consideration and approval.

The Audit Committee deliberated and assessed the performance of JWC as the internal auditors on the basis of their technical competency, audit quality, sufficiency of resources and professionalism and was satisfied with their overall performance and accordingly, JWC was re-appointed as internal auditors of the Company for the financial years ending 31 December 2024 to 31 December 2026.

The Audit Committee reviewed and approved the Internal Audit Plan for the financial year ending 31 December 2024 presented by the internal auditors in November 2023. The Internal Audit Plan for 2024 will also include the audit on the construction of Bidor Sentral, the Group’s trade receivables and the status of the construction of telecommunication tower.

### 4. Corporate Governance

#### a. Related Party Transactions

The Audit Committee reviewed related party transactions and any conflict of interest situations that may arise or persist within the Company and the Group as reported by management during its quarterly meetings.

#### b. Approval of Statements for inclusion into the Annual Report 2022

The Audit Committee received and reviewed the Audit Committee Report and Corporate Governance Overview Statement for the year 2022 before recommending the statement and report to the Board for consideration and approval for inclusion into the Annual Report.

## AUDIT COMMITTEE REPORT

### INTERNAL AUDIT FUNCTION

The Board recognises that effective monitoring on a continuous basis is a vital component of a sound internal control system. In this respect, the Board, through the Audit Committee, has outsourced the internal audit function and thereafter approved the appointment of an independent professional services firm, JWC, to carry out independent internal audit services for the Company and the Group. JWC, a member of The Institute of Internal Auditors Malaysia, is headed by its founding Managing Director, Ms Joyce Wong, who is a member of the Malaysian Institute of Accountants, Certified Practising Accountants, Australia and corporate member of The Institute of Internal Auditors Malaysia. She has more than 18 years professional experience and has vast exposure in the internal audit field. She is supported by four (4) capable staff to carry out the internal audit assignments.

The internal audit engagement with the Group is headed by Mr Koh Cheang Yew, who is a member of the Certified Practising Accountants, Australia and corporate member of The Institute of Internal Auditors Malaysia. JWC has confirmed that all of the internal audit personnel engaged in the audit of the Group are free from any relationships or conflicts of interest, direct or indirect, which could impair their objectivity and independence in carrying out their duties.

The internal auditors report directly to the Audit Committee on audit matters and to the Managing Director on administrative matters. The internal auditors provide independent and objective reports on the Group's management, operational, accounting policies and internal controls to the Audit Committee and also ensure that recommendations to improve internal controls are followed through by the management at the same time. The management will rectify the weaknesses detected by the internal auditors through either adopting the recommendations made by the internal auditors or developing its own alternatives to eliminate such weaknesses.

During the financial year 2023, the internal auditors have conducted a series of audits of the major operating units of the Group. The internal audit activities have been carried out by the internal auditors in accordance with the Internal Audit Plan for 2023. The internal auditors also ensured, on a follow up basis, that recommendations to improve internal controls are implemented by the management. These initiatives provide reasonable assurance that control procedures are in place.

The cost incurred on the internal audit function for the financial year ended 31 December 2023 amounted to RM52,000.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

### INTRODUCTION

This Statement on Risk Management and Internal Control is made pursuant to paragraph 15.26(b) of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements ("**Listing Requirements**") and in accordance with the Principles as stipulated in the Malaysian Code on Corporate Governance and the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers which requires the Board of Directors ("**Board**") to include in the Company's Annual Report a statement about the state of its risk management and internal control of the Company and its subsidiaries ("**Group**").

Accordingly, the Board is pleased to present the Statement on Risk Management and Internal Control which outlines the processes adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system of the Group.

### RESPONSIBILITY OF THE BOARD

The Board is responsible for the adequacy and effectiveness of the Group's risk management and internal control system. The Board recognises the importance of good corporate governance and is committed in maintaining a sound system of internal controls to safeguard the shareholders' investment and the Group's assets.

The Board has adopted the Enterprise-Wide Risk Management Reporting, Risk Management Policy and Risk Appetite to identify, analyse, evaluate, manage and monitor significant financial and non-financial risks of the Group.

The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system. Because of the limitations that are inherent in any system of internal control, it should be noted that the system is designed to provide reasonable combination of preventive, detective and corrective measures and accordingly, it can only provide reasonable and not absolute assurance against material misstatement or loss.

The risk management and internal control framework is an on-going process, and has been in place for identifying, evaluating and managing significant risks that are faced or potentially to be encountered by the Group and the Board regularly reviews the said process.

### RISK MANAGEMENT

The Group takes cognizance of the importance of a sound risk management framework to be in place as a principal safeguard towards controlling risks. Accordingly, the Group has an embedded process for the identification, evaluation, reporting, monitoring and review of the major strategic, business and operation risks within the Group. The Board and management practice proactive identification of significant risks on a half-yearly basis or earlier as appropriate, particularly if there are any major proposed transactions, changes in nature of activities and/or operating environment, or venturing into new operating environment which may entail different risks. Accordingly, the Board would put in place the appropriate risk response strategies and controls until those risks are managed to and maintained at a level acceptable to the Board. This is further supported by the internal audit function and the employees of the Company to effectively inculcate risk management practices and controls into the corporate culture, processes and structures within the Group.

Risk management principles, policies, procedures and practices are updated regularly to ensure relevance and compliance with current/applicable laws and regulations.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The risk management process is in effect through the following mechanisms and measures, by which the Board obtains timely and accurate information of all major control issues in relation to internal controls, regulatory compliance and risk:

- Risk and Sustainability Management Function

Board has formally established a Risk Management Committee on 10 November 2021 to assist the Board in ensuring a sound and robust Risk Management Policy to achieve the Group's strategic objectives, safeguard shareholders' investments and its assets. On 22 February 2024, the Board approved the change of name of the 'Risk Management Committee' to 'Risk Management and Sustainability Committee' to better reflect the expanded duties and responsibilities to assist the Board in fulfilling its oversight in relation to the Group's sustainability strategy and initiatives covering environmental, social and economic responsibilities as well as the related sustainability practices in the businesses. The Terms of Reference of the Risk Management and Sustainability Committee has also been revised, established and endorsed by the Board to govern its responsibilities and activities. The Risk Management and Sustainability Committee is chaired by an independent non-executive director and majority of members are independent non-executive directors.

The Board acknowledges the importance of the risk and sustainability management function and the Risk Management and Sustainability Committee undertakes the following responsibilities:

### Risk Management

- Oversee the risk management framework, the Risk Management Policy and all its related policies of the Company and of the Group;
- Review the effectiveness of overall risk management at the enterprise level, the significant risks identified for the Group and the findings highlighted by the Risk Management and Sustainability Working Group Committee and the internal auditors;
- Review and recommend the Group's level of risk tolerance and actively identify, assess and monitor key business risks to safeguard shareholders' investments and the Group's assets and to implement the necessary controls to pursue the objectives;
- Deliberate the evaluation of the key risk areas as well as the controls in place to mitigate or manage these risks;
- Review the annual corruption risk assessment and the report on the appropriate processes, systems and controls in relation to the anti-corruption measures at least once in every three (3) years and to consider any appropriate action to be implemented;
- At the end of each financial year, review the Statement on Risk Management and Internal Control prior to submission to the Board for consideration and approval, for inclusion in the Annual Report of the Company; and
- Conduct an annual review and periodic testing of the risk management framework, where necessary. This should include any insights it has gained from the review and any changes made to its risk management framework arising from the review.

### Sustainability Management

- Review the sustainability strategy and performance;
- Ensure smooth coordination and implementation of the Sustainability Strategies pertaining to environment, social and governance ("ESG");
- Oversee the processes, framework and strategies designed to manage ESG, covering matters such as safety, health, employment practices, environmental practices, human rights, community relations and other relevant sustainability matters;
- Monitor the adoption and effectiveness of sustainability related policies, framework and procedures;
- Review the Group's sustainability key performance against the sustainability strategies and targets;
- Monitor the material sustainability matters relevant to the Group, including climate-related risks and opportunities;
- Drive engagement on sustainability to ensure awareness on sustainability is adopted across the Group; and
- Perform such other functions and exercise such other powers as may be delegated to it from time to time by the Board.

The Risk Management and Sustainability Committee is assisted by the the Risk Management and Sustainability Working Group Committee, chaired by the Managing Director, which is primarily responsible for the implementation of the Risk Management Policy and operationalisation of the risk management and sustainability processes and practices.



## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

- Internal Audit Function

The Board acknowledges the importance of the internal audit function and has engaged the services of an independent professional firm to provide much of the assurance it requires regarding the effectiveness as well as the adequacy and integrity of the Group's systems of internal control and risk management.

The internal audit function adopts a risk-based approach in developing its audit plan which addresses all the core auditable areas of the Group based on their risk profile. Scheduled internal audits are carried out by the internal auditors based on the audit plan presented to, and approved by, the Audit Committee. The audit focuses on areas with high risk to ensure that an adequate action plan is put in place to improve the controls. For those areas with high risk and adequate controls, the audit ascertains that the risks are effectively mitigated by the controls.

On a quarterly basis or earlier as appropriate, the internal auditors report to the Audit Committee on areas for improvement and will subsequently follow up to determine whether their recommendations have been duly implemented by the management.

- Financial Performance Planning, Review and Monitoring

Periodic meetings of the Board, Board Committees and senior management represent the main platform through which the Group's performance and conduct are assessed and monitored. The daily operations of the business are entrusted to the Managing Director and the management team.

- Operational Monitoring and Controls

The Group ensures that regular and comprehensive information is provided to the Board, covering financial and operational performance and key business indicators, for effective monitoring and decision-making processes.

The Group, being involved in the public transportation industry, primarily uses a large fleet of buses to carry out its business activities. The said buses undergo scheduled maintenance works to ensure that they are roadworthy and comply with all relevant laws, rules and regulations.

### INTERNAL CONTROL

The Board, whilst maintaining full control and direction over appropriate strategic, financial, organisational and compliance issues, has delegated to the management the implementation of the systems of internal control within an established framework. The Group's current system of internal control and risk management include the following key elements:

- an effective Board which retains control over the Group, reviews the business operations, approves significant transactions, monitors management and assesses the effectiveness of internal controls;
- clearly defined lines of authority and divisionalised organisation structure to achieve the Group's objectives and monitor the conduct and operations within the Group;
- quarterly results of the Group's financial performance are presented to the Audit Committee for recommendation and adoption by the Board;
- regular management meetings comprising the senior management to review and discuss significant issues relating to financial performance, operations, technical and key support functions;
- segregation of duties and physical safeguarding of assets for example limiting of access to assets, documents and records and establishing custodial responsibilities; and
- clearly defined recruitment processes and relevant training to enhance staff competency levels.

The Board receives and regularly reviews reports regarding the operations and performance of the Group. Apart from financial controls, the Group's system of internal controls also covers operational and compliance controls and most importantly, risk management. As part of the risk management process, the Board is continuously identifying, assessing and managing significant business risks faced by the Group throughout the financial year.

The Board receives and regularly reviews reports regarding the operations and performance of the Group. Apart from financial controls, the Group's system of internal controls also covers operational and compliance controls and most importantly, risk management. As part of the risk management process, the Board is continuously identifying, assessing and managing significant business risks faced by the Group throughout the financial year.

The Board maintains ultimate responsibility over the Group's system of internal controls which has been delegated to the management for effective implementation. The role of internal audit is to provide reasonable assurance that the designed controls are in place and are operating as intended.

## STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

The internal audit function is to primarily assist the Audit Committee and the Board in monitoring compliance, making recommendations for continuous improvement to processes, systems and reviewing the effectiveness of the internal control structures. The internal auditors also participate in the risk management to provide assurance of good governance and application of security controls.

The Audit Committee and the Risk Management and Sustainability Committee assist the Board in fulfilling its responsibilities on maintaining a sound system of internal controls and risk management. The Audit Committee monitors the levels of assurance within the Group through their review of the reports of the external auditor and internal auditor, nature and scope of their work and monitoring the implementation progress of the audit recommendations. The Risk Management and Sustainability Committee ensures the integrity of the risk management framework and policies through their review of the reports of the Risk Management and Sustainability Working Group Committee and monitors the implementation progress of the Risk Management Policy.

### REVIEW OF THE STATEMENT BY EXTERNAL AUDITOR

As required under Paragraph 15.23 of the Listing Requirements, the external auditor has reviewed this Statement on Risk Management and Internal Control for inclusion in the Annual Report of the Company for the financial year 2023 and reported to the Board that nothing has come to their attention which causes them to believe that this Statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control of the Group.

### CONCLUSION

Based on the internal audit reports for the financial year 2023, there is a reasonable assurance that the Group's system of internal controls is generally adequate and appears to be working satisfactorily. None of the identified weaknesses have resulted in any material losses, contingencies or uncertainties that would require disclosure in the Annual Report. The Board has received assurance from the Executive Directors that the Group's risk management and internal control system is operating adequately and effectively, in all material aspects.

The Board remains committed towards operating a sound system of internal controls, recognising that the system must continually evolve to support the types of business, size and operations of the Group. As such, the Board will put in place appropriate action plans to further enhance the Group's system of risk management and internal control as and when required.



## STATEMENT OF DIRECTORS' RESPONSIBILITY IN RELATION TO THE FINANCIAL STATEMENTS

This Statement is prepared as required by the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The directors are required under the Companies Act 2016 to prepare the financial statements which give a true and fair view of the state of affairs of the Company and its subsidiaries ("**Group**") as at the end of each financial year and of their results and cash flows for that year then ended.

The directors consider that in preparing the financial statements, the Group have:

- used appropriate accounting policies and are consistently applied;
- made reasonable and prudent judgments and estimates;
- prepared the financial statements on a going concern basis; and
- ensured all applicable approved accounting standards in Malaysia have been followed.

The directors are responsible for ensuring that the Group maintain accounting records that disclose with reasonable accuracy the financial position of the Group and which enable them to ensure that the financial statements comply with the Companies Act 2016 and the applicable approved accounting standards in Malaysia.

The directors have general responsibilities for taking such steps that are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

This Statement was made in accordance with a resolution of the Board of Directors dated 22 February 2024.

## DIRECTORS' REPORT

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 2023.

### PRINCIPAL ACTIVITIES

The Company is principally involved in investment holding.

The details and principal activities of the Company's subsidiaries are disclosed in Note 14 to the financial statements.

There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year, other than as disclosed in Note 14 to the financial statements.

### RESULTS

	Group RM	Company RM
Net profit for the financial year	65,109,953	23,867,477
Attributable to:		
Owners of the Company	65,082,718	23,867,477
Non-controlling interests	27,235	-
	65,109,953	23,867,477

### DIVIDENDS

Since the end of the previous financial year, the Company has declared the following dividends in respect of financial year ended 31 December 2023 during the current financial year under review:

- (i) A first interim single tier dividend of 0.75 sen per ordinary share amounting to RM5,477,087, paid on 19 May 2023;
- (ii) A second interim single tier dividend of 0.75 sen per ordinary share amounting to RM5,472,632, paid on 21 August 2023;
- (iii) A third interim single tier dividend of 0.75 sen per ordinary share amounting to RM5,487,894, paid on 15 November 2023; and
- (iv) A fourth interim single tier dividend of 0.75 sen per ordinary share amounting to RM5,487,982, paid on 14 February 2024.

On 22 February 2024, the Company has declared a first interim single tier dividend of 0.75 sen per ordinary share amounting to RM5,487,982 in respect of financial year ending 31 December 2024, based on the number of outstanding ordinary shares in issue (net of treasury shares) as at 31 December 2023 and payable on 21 May 2024.

The financial statements for the current financial year do not reflect this proposed dividend as it was declared subsequent to the financial year end. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2024.

The Directors do not recommend the payment of final dividend in respect of the current financial year.

### RESERVES AND PROVISIONS

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

### ISSUANCE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital from 712,822,937 ordinary shares (inclusive of 10,399,999 treasury shares) to 742,130,937 ordinary shares (inclusive of 10,399,999 treasury shares) by way of the issuance of 29,308,000 new ordinary shares pursuant to the exercise of warrants at an exercise price of RM0.75 per ordinary share for cash.

The proceeds were used for repayment of bank borrowings, capital expenditure and working capital purposes. The new shares rank pari passu with the existing shares in all respects.

Other than the foregoing, the Company did not issue any other shares and debentures during the financial year.



## DIRECTORS' REPORT

### TREASURY SHARES

Treasury shares relate to ordinary shares of the Company that are repurchased and held by the Company in accordance with the requirements of Section 127(4)(b) of the Companies Act 2016 in Malaysia.

There was no repurchase of the Company's issued ordinary shares, nor any resale, cancellation or distribution of treasury shares during the financial year.

As at 31 December 2023, the Company held a total of 10,399,999 ordinary shares of its 742,130,937 issued ordinary shares as treasury shares. Such treasury shares are held at a carrying amount of RM7,943,806. Further details are disclosed in Note 24 to the financial statements.

### WARRANTS

The salient terms of the warrants are disclosed in Note 23 to the financial statements.

Details of warrants held by the Directors are disclosed in the Directors' Interests section of this report.

### OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year other than the warrants as disclosed above.

### DIRECTORS OF THE COMPANY

The Directors in office since the beginning of the financial year up to the date of this report are:

TAN SRI DATO' CHANG KO YOUN  
DATO' SRI CHEONG KONG FITT \*  
DATO' CHEONG PEAK SOOI \*  
DATO' HAJI GAZALI BIN JALAL  
NG WAI LUEN  
AZIAN BINTI KASSIM  
ZALINAH BINTI A HAMID

\* Also a Director of certain subsidiaries.

### DIRECTORS OF SUBSIDIARIES OF THE COMPANY

Pursuant to Section 253(2) of the Companies Act 2016, the Directors who served in the subsidiaries (excluding Directors who are also Directors of the Company) since the beginning of the financial year up to the date of this report are:

DATO' SRI WAN AHMAD NAJMUDDIN BIN MOHD  
DATO' AMINUDDIN BIN MD HANAFIAH  
ONG LUCK YIK @ ONG LEK CHUAN  
MUHAMMAD BIN DZULKIFLI  
CHEONG YEE SIEN  
ISMAIL BIN JAMAL (appointed on 13.10.2023)

## DIRECTORS' REPORT

### DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interest of Directors in office at the end of financial year in shares and warrants of the Company and its related corporations during the financial year were as follows:

	Number of ordinary shares			
	At 1.1.2023	Bought	Sold	At 31.12.2023
<b>Direct interests:</b>				
- Dato' Sri Cheong Kong Fitt	121,840,067	-	-	121,840,067
- Dato' Cheong Peak Sooi	10,023,598	-	-	10,023,598
- Dato' Haji Gazali Bin Jalal	86,266	-	-	86,266
<b>Indirect interests:</b>				
- Dato' Sri Cheong Kong Fitt ^	95,082,332	-	-	95,082,332

	Number of warrants			
	At 1.1.2023	Bought	Sold	At 31.12.2023
<b>Direct interests:</b>				
- Dato' Sri Cheong Kong Fitt	24,805,291	-	-	24,805,291
- Dato' Cheong Peak Sooi	1,700,549	-	-	1,700,549
<b>Indirect interests:</b>				
- Dato' Sri Cheong Kong Fitt ^	23,588,082	-	-	23,588,082

^ Indirect interest by virtue of shares held through his spouse and son and through a corporation by virtue of Section 8 of the Companies Act 2016 in Malaysia.

Dato' Sri Cheong Kong Fitt is deemed to have interest in the shares held by the Company and its subsidiaries by virtue of his substantial interest in the shares of the Company.

Other than the above, none of the other Directors in office at the end of the financial year had any interest in the ordinary shares and warrants of the Company or of its related corporations during the financial year.



## DIRECTORS' REPORT

### DIRECTORS' REMUNERATION AND BENEFITS

The amount of fees and other benefits paid to or receivable by the Directors or past Directors of the Company and the estimated money value of any other benefits received or receivable by them otherwise than in cash from the Company and its subsidiaries for their services to the Company or its subsidiaries were as follows:

	Company RM	Subsidiaries RM
<b>Directors</b>		
Salaries, allowances and bonuses	178,000	1,096,080
Fees	282,000	-
Contribution to defined contribution plan	13,440	163,214
Benefits-in-kind	5,300	5,300
<b>Total fees and other benefits</b>	<u>478,740</u>	<u>1,264,594</u>

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than Directors' emoluments received or due and receivable as disclosed in the financial statements or the fixed salary of a full-time employee of the Company) 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, other than the related party transactions disclosed in the financial statements.

There were no arrangements during or at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

### OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their value as shown in the accounting records of the Group and of the Company have been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances:
- (i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent;
  - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;
  - (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate; and
  - (iv) not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements misleading.
- (c) At the date of this report, there does not exist:
- (i) 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
  - (ii) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

## DIRECTORS' REPORT

### OTHER STATUTORY INFORMATION (Cont'd)

- (d) In the opinion of the Directors:
- (i) no contingent or other liability has become enforceable, or likely to become enforceable, within the period of twelve months after the end of the financial year, which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due;
  - (ii) the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
  - (iii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.
- (e) The total amount of fees paid to or receivable by the auditors as remuneration for their services as auditors of the Company and its subsidiaries for the current financial year were RM55,000 and RM114,000 respectively.
- (f) There was no amount paid to or receivable by any third party in respect of the services provided to the Company or any of its subsidiaries by any Director or past Director of the Company.
- (g) There was no indemnity given to or insurance effected for any Director, officer or auditor of the Group and of the Company.

### SIGNIFICANT EVENTS

Details of significant events are disclosed in Note 38 to the financial statements.

### SUBSEQUENT EVENT

Details of subsequent event are disclosed in Note 39 to the financial statements.

### AUDITORS

The auditors, Messrs. Moore Stephens Associates PLT, have expressed their willingness to continue in office.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 8 April 2024.

DATO' SRI CHEONG KONG FITT

DATO' CHEONG PEAK SOOI



## STATEMENT BY DIRECTORS

Pursuant to Section 251(2) of the Companies Act 2016

We, the undersigned, being two of the Directors of the Company, do hereby state that, in the opinion of the Directors, the financial statements as set out on pages 93 to 155 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023 and of their financial performance and cash flows for the financial year then ended.

Approved and signed on behalf of the Board in accordance with a resolution of the Directors dated 8 April 2024.

DATO' SRI CHEONG KONG FITT

DATO' CHEONG PEAK SOOI

## STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, JENNIFER CHIN YI TENG, being the officer primarily responsible for the financial management of the Company, do solemnly and sincerely declare that the financial statements as set out on pages 93 to 155 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the  
abovenamed Jennifer Chin Yi Teng  
at Ipoh in the state of Perak Darul Ridzuan  
on 8 April 2024

JENNIFER CHIN YI TENG

Before me,

Commissioner for oaths

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK TRANSIT BERHAD

Registration No. 200801030547 (831878-V)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Perak Transit Berhad, which comprise the statements of financial position as at 31 December 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 93 to 155.

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 2023, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for Opinion

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

We have determined that there are no key audit matters to be communicated in our report.

#### Information other than the Financial Statements and Auditors' Report Thereon

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

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

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

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

#### Responsibilities of the Directors for the Financial Statements

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



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK TRANSIT BERHAD

Registration No. 200801030547 (831878-V)

### Responsibilities of the Directors for the Financial Statements (Cont'd)

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company 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 and 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.

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 of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF PERAK TRANSIT BERHAD

Registration No. 200801030547 (831878-V)

**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.

MOORE STEPHENS ASSOCIATES PLT  
201304000972 (LLP0000963-LCA)  
Chartered Accountants (AF002096)

Penang

Date: 8 April 2024

THAM SHIEN HONG  
03266/04/2025 J  
Chartered Accountant



## STATEMENTS OF COMPREHENSIVE INCOME

For the Financial Year Ended 31 December 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>Revenue</b>	4	<b>173,165,302</b>	170,922,942	<b>22,172,333</b>	26,527,800
Investment revenue	5	<b>616,459</b>	288,570	<b>482,798</b>	266,515
Amortisation of deferred capital grants	27	<b>363,151</b>	366,422	-	-
Other operating income	6	<b>8,434,999</b>	5,470,328	<b>12,967,597</b>	8,184,647
Purchase of trading goods and materials		<b>(32,315,716)</b>	(33,722,865)	-	-
Changes in inventories of trading goods and materials		<b>87,559</b>	109,914	-	-
Employee benefits expense	6	<b>(10,820,310)</b>	(9,845,882)	<b>(1,901)</b>	(1,645)
Directors' remuneration	7	<b>(1,732,734)</b>	(1,591,656)	<b>(473,440)</b>	(473,440)
Depreciation of property, plant and equipment and investment properties	11 & 12	<b>(21,787,010)</b>	(21,717,079)	-	-
Finance costs	8	<b>(13,400,781)</b>	(10,781,330)	<b>(4,173,666)</b>	(2,520,364)
Other operating expenses	6	<b>(21,384,082)</b>	(15,846,999)	<b>(4,893,913)</b>	(2,927,174)
Profit before tax		<b>81,226,837</b>	83,652,365	<b>26,079,808</b>	29,056,339
Tax expense	9	<b>(16,116,884)</b>	(23,635,525)	<b>(2,212,331)</b>	(1,558,727)
<b>Profit for the financial year</b>		<b>65,109,953</b>	60,016,840	<b>23,867,477</b>	27,497,612
<b>Other comprehensive income, net of tax</b>					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Revaluation surplus of vacant leasehold land, net of tax		-	1,927,151	-	-
<b>Total comprehensive income for the financial year</b>		<b>65,109,953</b>	61,943,991	<b>23,867,477</b>	27,497,612
<b>Profit net of tax, attributable to:</b>					
Owners of the Company		<b>65,082,718</b>	59,999,619	<b>23,867,477</b>	27,497,612
Non-controlling interests		<b>27,235</b>	17,221	-	-
		<b>65,109,953</b>	60,016,840	<b>23,867,477</b>	27,497,612
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		<b>65,082,718</b>	61,926,770	<b>23,867,477</b>	27,497,612
Non-controlling interests		<b>27,235</b>	17,221	-	-
		<b>65,109,953</b>	61,943,991	<b>23,867,477</b>	27,497,612
<b>Earnings per ordinary share</b>					
Basic (sen)	10	<b>5.97</b>	5.75		
Diluted (sen)	10	<b>5.75</b>	5.65		

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

## STATEMENTS OF FINANCIAL POSITION

As At 31 December 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	11	1,038,642,784	816,100,172	1	1
Investment properties	12	95,196,994	89,136,801	-	-
Contract costs	13	2,061,574	2,400,463	-	-
Investment in subsidiaries	14	-	-	207,007,349	177,037,349
Amount due from subsidiaries	15	-	-	374,169,332	215,041,298
Goodwill	16	1,622,631	1,622,631	-	-
Other investment	17	5,007,671	-	-	-
		<u>1,142,531,654</u>	<u>909,260,067</u>	<u>581,176,682</u>	<u>392,078,648</u>
<b>Current assets</b>					
Inventories	18	1,046,897	959,338	-	-
Trade and other receivables	19	27,867,125	25,386,578	-	-
Contract assets	20	2,657,900	3,126,535	-	-
Other assets	21	3,003,196	2,821,759	4,310,433	6,960,837
Amount due from subsidiaries	15	-	-	237,540,352	243,980,896
Tax recoverable		1,117,641	43,546	-	-
Fixed deposits with licensed banks	22	22,594,353	16,488,363	21,454,306	15,372,936
Cash and bank balances		64,930,457	32,507,443	53,600,055	10,392,586
		<u>123,217,569</u>	<u>81,333,562</u>	<u>316,905,146</u>	<u>276,707,255</u>
<b>TOTAL ASSETS</b>		<u>1,265,749,223</u>	<u>990,593,629</u>	<u>898,081,828</u>	<u>668,785,903</u>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	23	350,100,187	328,120,700	350,100,187	328,120,700
Treasury shares	24	(7,943,806)	(7,943,806)	(7,943,806)	(7,943,806)
Property revaluation reserve	25	33,685,790	35,891,680	-	-
Retained earnings		273,080,550	227,717,537	8,970,246	7,028,364
Equity attributable to owners of the Company		648,922,721	583,786,111	351,126,627	327,205,258
Non-controlling interests		144,030	123,662	-	-
<b>Total equity</b>		<u>649,066,751</u>	<u>583,909,773</u>	<u>351,126,627</u>	<u>327,205,258</u>

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.



## STATEMENTS OF FINANCIAL POSITION

As At 31 December 2023

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>Non-current liabilities</b>					
Borrowings	26	<b>481,685,638</b>	287,295,064	<b>480,535,477</b>	286,053,844
Deferred capital grants	27	<b>14,944,596</b>	15,307,747	-	-
Deferred tax liabilities	28	<b>33,744,342</b>	25,531,097	-	-
		<b>530,374,576</b>	328,133,908	<b>480,535,477</b>	286,053,844
<b>Current liabilities</b>					
Trade and other payables	29	<b>12,302,590</b>	11,539,974	<b>60,690</b>	101,727
Other liabilities	30	<b>15,573,440</b>	15,437,806	<b>5,813,879</b>	6,007,157
Amount due to a subsidiary	15	-	-	<b>3,309,598</b>	-
Borrowings	26	<b>57,296,383</b>	48,675,573	<b>56,523,223</b>	48,021,675
Deferred capital grants	27	<b>363,151</b>	363,151	-	-
Tax payable		<b>772,332</b>	2,533,444	<b>712,334</b>	1,396,242
		<b>86,307,896</b>	78,549,948	<b>66,419,724</b>	55,526,801
<b>Total liabilities</b>		<b>616,682,472</b>	406,683,856	<b>546,955,201</b>	341,580,645
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,265,749,223</b>	990,593,629	<b>898,081,828</b>	668,785,903

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

## STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2023

Group	Attributable to Owners of the Company						Total equity RM
	Share capital RM	Treasury shares RM	Property revaluation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM	
<b>At 1 January 2022</b>	287,556,892	(7,943,806)	33,964,529	188,524,057	502,101,672	142,234	502,243,906
Profit net of tax	-	-	-	59,999,619	59,999,619	17,221	60,016,840
Revaluation surplus of vacant leasehold land, net of tax	-	-	1,927,151	-	1,927,151	-	1,927,151
<b>Total comprehensive income for the financial year</b>	-	-	1,927,151	59,999,619	61,926,770	17,221	61,943,991
Dividends to non-controlling interests	-	-	-	-	-	(9,401)	(9,401)
Effect of increase in stake in a subsidiary	-	-	-	26,392	26,392	(26,392)	-
<b>Transactions with owners of the Company:</b>							
Issuance of shares pursuant to							
- Exercise of warrants	3,161,973	-	-	-	3,161,973	-	3,161,973
- Private placement	38,084,040	-	-	-	38,084,040	-	38,084,040
Transactions costs of shares issued pursuant to							
- Exercise of warrants	(690)	-	-	-	(690)	-	(690)
- Private placement	(681,515)	-	-	-	(681,515)	-	(681,515)
Dividends to owners of the Company	-	-	-	(20,832,531)	(20,832,531)	-	(20,832,531)
<b>Total transactions with owners of the Company</b>	40,563,808	-	-	(20,832,531)	19,731,277	-	19,731,277
<b>At 31 December 2022/1 January 2023</b>	<b>328,120,700</b>	<b>(7,943,806)</b>	<b>35,891,680</b>	<b>227,717,537</b>	<b>583,786,111</b>	<b>123,662</b>	<b>583,909,773</b>
Profit net of tax, representing total comprehensive income for the financial year	-	-	-	65,082,718	65,082,718	27,235	65,109,953
Dividends to non-controlling interests	-	-	-	-	-	(6,867)	(6,867)
Transfer upon disposal of vacant land, net of tax	-	-	(2,205,890)	2,205,890	-	-	-
<b>Transactions with owners of the Company:</b>							
Issuance of shares pursuant to exercise of warrants	21,981,000	-	-	-	21,981,000	-	21,981,000
Transactions costs of shares issued	(1,513)	-	-	-	(1,513)	-	(1,513)
Dividends to owners of the Company	-	-	-	(21,925,595)	(21,925,595)	-	(21,925,595)
<b>Total transactions with owners of the Company</b>	<b>21,979,487</b>	<b>-</b>	<b>-</b>	<b>(21,925,595)</b>	<b>53,892</b>	<b>-</b>	<b>53,892</b>
<b>At 31 December 2023</b>	<b>350,100,187</b>	<b>(7,943,806)</b>	<b>33,685,790</b>	<b>273,080,550</b>	<b>648,922,721</b>	<b>144,030</b>	<b>649,066,751</b>

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.



## STATEMENTS OF CHANGES IN EQUITY

For the Financial Year Ended 31 December 2023

	Note	Share capital RM	Non-distributable Treasury shares RM	Distributable Retained earnings RM	Total equity RM
<b>Company</b>					
<b>At 1 January 2022</b>		287,556,892	(7,943,806)	363,283	279,976,369
Profit net of tax, representing total comprehensive income for the financial year		-	-	27,497,612	27,497,612
<b>Transactions with owners of the Company:</b>					
Issuance of shares pursuant to					
- Exercise of warrants	23	3,161,973	-	-	3,161,973
- Private placement	23	38,084,040	-	-	38,084,040
Transactions costs of shares issued pursuant to					
- Exercise of warrants		(690)	-	-	(690)
- Private placement		(681,515)	-	-	(681,515)
Dividends to owners of the Company	31	-	-	(20,832,531)	(20,832,531)
<b>Total transactions with owners of the Company</b>		40,563,808	-	(20,832,531)	19,731,277
<b>At 31 December 2022 / 1 January 2023</b>		<b>328,120,700</b>	<b>(7,943,806)</b>	<b>7,028,364</b>	<b>327,205,258</b>
Profit net of tax, representing total comprehensive income for the financial year		-	-	23,867,477	23,867,477
<b>Transactions with owners of the Company:</b>					
Issuance of shares pursuant to exercise of warrants	23	21,981,000	-	-	21,981,000
Transactions costs of shares issued		(1,513)	-	-	(1,513)
Dividends to owners of the Company	31	-	-	(21,925,595)	(21,925,595)
<b>Total transactions with owners of the Company</b>		21,979,487	-	(21,925,595)	53,892
<b>At 31 December 2023</b>		<b>350,100,187</b>	<b>(7,943,806)</b>	<b>8,970,246</b>	<b>351,126,627</b>

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

## STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023

	Group		Company	
	2023	2022	2023	2022
	RM	RM	RM	RM
<b>Cash flows from operating activities</b>				
Profit for the financial year	65,109,953	60,016,840	23,867,477	27,497,612
Adjustments for:				
Amortisation of deferred capital grants	(363,151)	(366,422)	-	-
Amortisation of contract costs				
- current year	338,889	342,489	-	-
- over provision in prior years	-	(179,543)	-	-
Contract cost written off	-	8,847	-	-
Depreciation of property, plant and equipment and investment properties	21,787,010	21,717,079	-	-
Deposits forfeited	(11,840)	(66,476)	-	-
Finance costs	13,400,781	10,781,330	4,173,666	2,520,364
Gain on disposal of property, plant and equipment	(1,200,294)	(2,999)	-	-
Impairment loss on trade receivables	-	311,230	-	-
Interest income	(2,897,825)	(709,635)	(13,450,395)	(8,451,162)
Property, plant and equipment written off	15,001	5,878	-	-
Tax expense	16,116,884	23,635,525	2,212,331	1,558,727
<b>Operating profit before working capital changes</b>	<b>112,295,408</b>	<b>115,494,143</b>	<b>16,803,079</b>	<b>23,125,541</b>
<b>Changes in working capital:</b>				
Inventories	(87,559)	(109,914)	-	-
Trade and other receivables	(2,480,547)	7,556,803	-	1,200
Contract assets	468,635	(2,766,535)	-	-
Other assets	(181,437)	(69,281)	2,650,404	(1,038,664)
Trade and other payables	(2,891,113)	(2,249,146)	(41,037)	(7,027)
Other liabilities	(72,013)	329,385	(413,892)	422,006
<b>Cash generated from operations</b>	<b>107,051,374</b>	<b>118,185,455</b>	<b>18,998,554</b>	<b>22,503,056</b>
Bank charges paid	(1,498)	(1,109)	(206)	(123)
Interest received on current account	2,281,366	421,065	2,233,833	405,626
Income tax paid	(10,817,908)	(7,330,167)	(2,951,239)	(88,010)
Income tax refunded	68,328	20,000	55,000	-
<b>Net cash from operating activities</b>	<b>98,581,662</b>	<b>111,295,244</b>	<b>18,335,942</b>	<b>22,820,549</b>
<b>Cash flows from investing activities</b>				
Acquisition of a subsidiary	(320,000)	-	(320,000)	-
Additional subscription in subsidiaries	-	-	-	(25,000,000)
Advance to subsidiaries	-	-	(182,337,490)	(100,713,889)
Interest income received on financial assistance	-	-	10,733,764	7,779,021
Interest received on fixed deposits	506,672	288,393	482,052	266,338
Interest received on other investment	109,787	177	746	177
Increase in other investment	(5,007,671)	-	-	-
Purchase of investment properties	(8,038,339)	(7,945,997)	-	-
Purchase of property, plant and equipment	(235,576,522)	(182,035,086)	-	-
Proceeds from disposal of property, plant and equipment	11,629,050	3,000	-	-
<b>Net cash used in investing activities</b>	<b>(236,697,023)</b>	<b>(189,689,513)</b>	<b>(171,440,928)</b>	<b>(117,668,353)</b>
<b>Balance carried forward</b>	<b>(138,115,361)</b>	<b>(78,394,269)</b>	<b>(153,104,986)</b>	<b>(94,847,804)</b>

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.



## STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Balance brought forward</b>	<b>(138,115,361)</b>	(78,394,269)	<b>(153,104,986)</b>	(94,847,804)
<b>Cash flows from financing activities</b>				
Advance from subsidiaries	-	-	<b>3,309,598</b>	-
Dividends paid				
- owners of the Company	<b>(21,705,785)</b>	(20,800,912)	<b>(21,705,785)</b>	(20,800,912)
- non-controlling interests	<b>(7,994)</b>	(9,457)	-	-
Finance costs paid	<b>(25,878,927)</b>	(13,914,381)	<b>(4,172,656)</b>	(2,363,506)
Net placement of fixed deposits pledged to licensed banks	<b>(6,097,955)</b>	(2,681,343)	<b>(6,081,355)</b>	(2,665,820)
Proceeds from issuance of shares pursuant to exercise of warrants	<b>21,979,487</b>	3,161,283	<b>21,979,487</b>	3,161,283
Proceeds from issuance of shares pursuant to private placement	-	37,402,525	-	37,402,525
(Prepayment of)/Proceeds from revolving credit	<b>(3,000,000)</b>	40,000,000	<b>(3,000,000)</b>	40,000,000
Proceeds from Sukuk Murabahah	<b>250,000,000</b>	-	<b>250,000,000</b>	-
Proceeds from term loans	-	40,000,000	-	40,000,000
Repayment of lease liabilities	<b>(725,597)</b>	(1,137,441)	-	-
Repayment of Sukuk Murabahah	<b>(36,000,000)</b>	(33,000,000)	<b>(36,000,000)</b>	(33,000,000)
Repayment of term loans	<b>(8,016,819)</b>	(4,924,481)	<b>(8,016,819)</b>	(4,924,481)
Net cash from financing activities	<b>170,546,410</b>	44,095,793	<b>196,312,470</b>	56,809,089
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>32,431,049</b>	<b>(34,298,476)</b>	<b>43,207,484</b>	<b>(38,038,715)</b>
Cash and cash equivalents at beginning of the financial year	<b>32,861,531</b>	67,160,007	<b>10,421,692</b>	48,460,407
<b>Cash and cash equivalents at end of the financial year</b>	<b>65,292,580</b>	32,861,531	<b>53,629,176</b>	10,421,692

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

## STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023

### Note:

(i) Cash and cash equivalents comprise the following:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash and bank balances	<b>64,930,457</b>	32,507,443	<b>53,600,055</b>	10,392,586
Fixed deposits placed with licensed banks	<b>22,594,353</b>	16,488,363	<b>21,454,306</b>	15,372,936
	<b>87,524,810</b>	48,995,806	<b>75,054,361</b>	25,765,522
Less: Fixed deposits pledged to licensed banks	<b>(22,232,230)</b>	(16,134,275)	<b>(21,425,185)</b>	(15,343,830)
	<b>65,292,580</b>	32,861,531	<b>53,629,176</b>	10,421,692

(ii) Purchase of property, plant and equipment comprises the following:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Cash purchases	<b>235,576,522</b>	182,035,086	-	-
Capitalised borrowing costs	<b>12,480,448</b>	3,290,895	-	-
Financed by way of lease arrangements	<b>753,800</b>	-	-	-
Other payables	<b>214,480</b>	4,691,478	-	-
	<b>249,025,250</b>	190,017,459	-	-

(iii) Total operating and financing cash outflows arising from leases as a lessee during the financial year is RM1,656,322 (2022: RM2,013,448).

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.



## STATEMENTS OF CASH FLOWS

For the Financial Year Ended 31 December 2023

### Note: (Cont'd)

(iv) The reconciliation of movements of liabilities to cash flows arising from financing activities is as below:

	At 1 January	Acquisition of new lease	Drawdown of loans	Net cash changes	At 31 December
	RM	RM	RM	RM	RM
<b>2023</b>					
<b>Group</b>					
Lease liabilities	1,895,118	753,800	-	(725,597)	1,923,321
Sukuk Murabahah	259,000,000	-	250,000,000	(36,000,000)	473,000,000
Revolving credit	40,000,000	-	-	(3,000,000)	37,000,000
Term loans	35,075,519	-	-	(8,016,819)	27,058,700
	<u>335,970,637</u>	<u>753,800</u>	<u>250,000,000</u>	<u>(47,742,416)</u>	<u>538,982,021</u>
<b>Company</b>					
Sukuk Murabahah	259,000,000	-	250,000,000	(36,000,000)	473,000,000
Revolving credit	40,000,000	-	-	(3,000,000)	37,000,000
Term loans	35,075,519	-	-	(8,016,819)	27,058,700
	<u>334,075,519</u>	<u>-</u>	<u>250,000,000</u>	<u>(47,016,819)</u>	<u>537,058,700</u>
<b>2022</b>					
<b>Group</b>					
Lease liabilities	3,032,559	-	-	(1,137,441)	1,895,118
Sukuk Murabahah	292,000,000	-	-	(33,000,000)	259,000,000
Revolving credit	-	-	40,000,000	-	40,000,000
Term loans	-	-	40,000,000	(4,924,481)	35,075,519
	<u>295,032,559</u>	<u>-</u>	<u>80,000,000</u>	<u>(39,061,922)</u>	<u>335,970,637</u>
<b>Company</b>					
Sukuk Murabahah	292,000,000	-	-	(33,000,000)	259,000,000
Revolving credit	-	-	40,000,000	-	40,000,000
Term loans	-	-	40,000,000	(4,924,481)	35,075,519
	<u>292,000,000</u>	<u>-</u>	<u>80,000,000</u>	<u>(37,924,481)</u>	<u>334,075,519</u>

The annexed notes form an integral part of, and should be read in conjunction with, these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 1. CORPORATE INFORMATION

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

The registered office of the Company is located at No.1 Jalan Lasam, 30350 Ipoh, Perak Darul Ridzuan.

The principal place of business of the Company is located at E-6-2A, SOHO Ipoh 2, Jalan Sultan Idris Shah, 30000 Ipoh, Perak Darul Ridzuan.

The Company is principally involved in investment holding. The details and principal activities of the Company's subsidiaries are disclosed in Note 14 to the financial statements. There have been no significant changes in the nature of these activities of the Group and of the Company during the financial year, other than as disclosed in Note 14 to the financial statements.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated

### 2. BASIS OF PREPARATION

#### (a) Statement of compliance

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

#### New MFRS and Amendments to MFRSs

##### (i) Adoption of new MFRS and Amendments to MFRSs

The Group and the Company have adopted the following new MFRS and Amendments to MFRSs that are mandatory for the current financial year:

MFRS 17 and Amendments to MFRS 17	Insurance Contracts
Amendments to MFRS 17	Initial Application of MFRS 17 and MFRS 9 - Comparative Information
Amendments to MFRS 101 and MFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to MFRS 108	Definition of Accounting Estimates
Amendments to MFRS 112	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to MFRS 112	International Tax Reform - Pillar Two Model Rules

Initial application of the above standards did not have any significant effect on the financial statements of the Group and the Company and did not result in significant changes to the Group's and the Company's existing accounting policies, except as discussed below:

#### Amendments to MFRS 101 Presentation of Financial Statements

The amendments require an entity to disclose its material accounting policy information rather than significant accounting policies. The amendments, amongst others, also include examples of circumstances in which an entity is likely to consider an accounting policy information to be material to its financial statements.

Accordingly, the Group and the Company disclosed their material accounting policy information in these financial statements. However, the amendments did not result in changes to the accounting policies of the Group and the Company.

##### (ii) Standards issued but not yet effective and have not been early adopted

The Group and the Company have not adopted the following Amendments to MFRSs that have been issued as at the date of authorisation of these financial statements but are not yet effective for the Group and the Company:



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 2. BASIS OF PREPARATION (Cont'd)

#### (a) Statement of compliance (Cont'd)

##### (ii) Standards issued but not yet effective and have not been early adopted (Cont'd)

###### *Effective for financial periods beginning on or after 1 January 2024 (Cont'd)*

Amendments to MFRS 16	Lease Liability in a Sale and Leaseback
Amendments to MFRS 101	Classification of Liabilities as Current or Non-current
Amendments to MFRS 101	Non-current Liabilities with Covenants
Amendments to MFRS 107 and MFRS 7	Supplier Finance Agreements

###### *Effective for financial periods beginning on or after 1 January 2025*

Amendments to MFRS 121	Lack of Exchangeability
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###### *Effective date to be announced*

Amendments to MFRS 10 and MFRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
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The Group and the Company will adopt the above standards when they become effective in the respective financial periods. These standards are not expected to have any effect to the financial statements of the Group and of the Company upon initial applications.

#### (b) Basis of measurement

The financial statements of the Group and of the Company have been prepared on the historical cost convention except for those as disclosed in the accounting policy notes.

#### (c) Functional and presentation currency

The financial statements of the Group and of the Company are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency.

#### (d) Significant accounting estimates and judgements

The summary of accounting policies as described in Note 3 are essential to understand the Group's and the Company's results of operations, financial position, cash flows and other disclosures. Certain of these accounting policies require critical accounting estimates that involve complex and subjective judgements and the use of assumptions, some of which may be for matters that are inherently uncertain and susceptible to change. Directors exercise their judgement in the process of applying the Group's and the Company's accounting policies.

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Group's and of the Company's accounting policies and reported amounts of assets, liabilities, income and expenses, and disclosures made. Estimates and underlying assumptions are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from the judgements, estimates and underlying assumptions made by management, and will seldom equal the estimated results.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 2. BASIS OF PREPARATION (Cont'd)

#### (d) Significant accounting estimates and judgements (Cont'd)

The key assumptions concerning the future and other key sources of estimation or uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

##### (i) Impairment of non-financial assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use and fair value less costs to sell of the cash generating unit to which the asset is allocated, the management is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

##### (ii) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables and contract assets, the Group applies the simplified approach permitted by MFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables and contract assets.

For non-trade receivables, the Group applies the approach permitted by MFRS 9, which requires the Group to measure the allowance for impairment loss for that financial asset at an amount based on the probability of default occurring within the next 12 months considering the loss given default of that financial asset.

##### (iii) Deferred tax assets and liabilities

Deferred tax implications arising from the changes in corporate income tax rates are measured with reference to the estimated realisation and settlement of temporary differences in the future periods in which the tax rates are expected to apply, based on the tax rates enacted or substantively enacted at the end of the reporting period. While management's estimates on the realisation and settlement of temporary differences are based on the available information at the end of the reporting period, changes in business strategy, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount would be recognised in profit or loss in the period in which actual realisation and settlement occurs.

##### (iv) Construction revenue

The Group recognised construction revenue in profit or loss by using the progress towards complete satisfaction of performance obligation. The progress towards complete satisfaction of performance obligation is determined by the proportion that construction costs incurred for work performed to date bear to the estimated total construction costs.

Significant judgement is required in determining the progress towards complete satisfaction of performance obligation, the extent of the construction costs incurred, the estimated total construction revenue and costs, as well as the recoverability of the construction projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

The carrying amounts of contract assets are disclosed in Note 20.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

#### (a) Basis of consolidation

##### Subsidiaries and business combination

The financial statements comprise those of the Company and its subsidiaries, which are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Generally, control is achieved with a shareholding of more than one half of the voting rights over the relevant activities of the investee. The existence and effect of potential voting rights that are exercisable or convertible are considered when assessing whether the Group controls another entity.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition, or up to the effective date of disposal, as appropriate.

The consolidated financial statements are based on the financial statements of the individual companies drawn up using the standard Group accounting policies. Accounting policies applied by individual subsidiaries have been revised where necessary to ensure consistency with Group policies. All companies in the Group have the same reporting date of 31 December except as explained in Note 14.

All intragroup transactions and balances between Group entities are eliminated on consolidation except for foreign currency transaction gains and losses. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests are initially measured at their proportionate share of the net assets at the date of acquisition.

Profit or loss and each component of other comprehensive income are attributed to either the owners of the parent or any non-controlling interests, even if this allocation results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for in equity.

If the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary along with any non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any investment retained in the entity is measured at fair value at that date.

##### Separate financial statements

In the Company's separate financial statements, investment in subsidiaries are accounted for at cost less accumulated impairment losses. On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is recognised in profit or loss.

#### (b) Revenue and other income recognition

##### (i) Operation of public transportation

###### (a) Bus fare income

The Group provides public bus services that primarily encompass public express bus and stage bus services. Revenue recognition is based on bus fare received from the services that are rendered to the passengers. The performance obligation ("PO") is satisfied at a point in time and payment is generally due upon completion of services rendered.

###### (b) Government support fund

The government support fund accrued to the Group are to address the shortfalls of revenues for certain unprofitable routes, improve operator viability and expand bus route coverage by migrating from fare-box revenue collection to the gross-cost service delivery model.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (b) Revenue and other income recognition (Cont'd)

##### (i) Operation of public transportation (Cont'd)

###### (b) Government support fund

Each of the services are not distinct and are unable to be performed separately. Accordingly, contracts with customer are considered as a single PO and are not separately identifiable. The PO is satisfied upon completing the necessary bus routes and fulfilling the necessary requirements imposed, followed by the submission of the monthly report to the relevant government authority for its approval.

Revenue recognition is based on the accrual basis. The Group has enforceable right to payment upon fulfilment of the PO. Any price differences will be adjusted against revenue in the period of approval.

###### (c) Bus charter and advertising income

The Group provides bus charter services and advertisement spaces on the operating buses to customers. Revenue recognition is based on daily, weekly or monthly rental fee receivable for services rendered.

The contracts with the customers are considered as a single PO and are not separately identifiable. The PO is satisfied over time as the services are rendered.

The customer simultaneously receives and consumes all of the benefits of services provided by the Group. Therefore, revenue is recognised over time based on the period for which services have been rendered.

##### (ii) Integrated public transportations terminal ("IPTT") operations

###### (a) Rental income

The Group leases out commercial space at its terminals to retail tenants and media agencies. Revenue recognition is based on the monthly rental fee receivable for services rendered and payment is generally due within 90 days from invoice date.

###### (b) Project facilitation fee

The Group provides services and rental of facilities to potential customers in relation to the development of new terminals. Revenue is based on the agreed proportion of gross development cost on each respective proposed project. The PO is satisfied at a point in time and payment is generally due within 120 days from invoice date.

###### (c) Entrance fee

The Group is involved in bus terminal management. The Group derives entrance fee revenue from two sources, which are collection of monthly charges from customers and sales of coupon tickets. Revenue recognition is based on the monthly charges collected from the customers and coupon tickets sold.

The PO of the Group is to allow taxis and buses to enter the terminal and pick up passengers upon payment of the monthly charges and the presentation of coupon tickets respectively. The PO is satisfied upon the grant of the right to enter the terminal.

Revenue is recognised at a point in time for both the monthly charges and sales of coupon tickets whenever proceeds are collected and the rights to enter the terminal are granted.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (b) Revenue and other income recognition (Cont'd)

##### (ii) Integrated public transportations terminal ("IPTT") operations (Cont'd)

###### (d) Car park fee

The Group derives revenue of car park fee from two sources which are parking tickets and monthly season passes as follows:

###### (i) Parking tickets

The revenue is recognised at the point of which the services were rendered upon the customers use the car park and the Group has the right to the payment.

###### (ii) Monthly season pass

The revenue is recognised at the point of which the monthly season pass is renewed and the right to use is granted to the customers.

###### (e) Profit sharing from terminal management

The Group is involved in bus terminal management. The Group outsourced the operation and maintenance of terminal management systems to a third-party vendor. The Group derives revenue based on pre-agreed profit-sharing rates.

The PO of the Group is to manage the overall daily operation and activities of the terminals. The PO is satisfied over time as the services are provided.

Revenue is recognised over time based on the period for which services are rendered based on pre-agreed profit-sharing rates and payment is generally due within 90 days from invoice date.

###### (f) Management fee

The Group entered into a collaboration agreement with a third party, whereby the Group provides management services of a bus terminal to the third party. The Group derives revenue based on a fixed monthly management fee. The PO of the Group is to manage the terminal, to oversee the premises and the terminal, to maintain the goodwill and image of the terminal and to secure potential clients for the terminal. The services represent a series of distinct services rendered over time and such services are satisfied over time as the Group transfers the benefit of the services to the customer as it performs. However, the management fee is charged on monthly basis and there is no stand-alone price for each of the distinct PO. Allocation of transaction price is not necessary due to the services are provided concurrently. Revenue is recognised over time based on the period for which services are rendered and payment is generally due within 60 days from invoice date.

##### (iii) Petrol station operations

Petrol station operations comprise service stations and convenience stores. The petrol service station supplies motor fuels, lubricating oils and other petroleum products while convenience store supplies retail mart products. Revenue is recognised when the control over the products or services have been transferred or rendered to the customer. The PO is satisfied at a point in time and payment is generally due upon completion of services rendered.

##### (iv) Income from mining management operations

The Group entered into a Joint Venture Agreement ("JVA") with a third party, whereby the Group provides project management services which include identifying, negotiating and securing limestone and silica sand resources purchase contracts with buyers. The Group derives revenue based on monthly pre-agreed profit-sharing rates.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (b) Revenue and other income recognition (Cont'd)

##### (iv) Income from mining management operations (Cont'd)

The PO of the Group is to provide project management services in the mining operations. The services represent a series of distinct services rendered over time and such services are satisfied over time as the Group transfers the benefit of the services to the customers as it performs. However, the profit-sharing rate is charged on monthly basis and there is no stand-alone price for each of the distinct PO. Allocation of transaction price is not necessary due to the services are provided concurrently.

Revenue is recognised over time based on the period for which services are rendered based on the pre-agreed profit-sharing rates and payment is generally due within 60 days from invoice date.

##### (v) Income from telecommunication ("telco") tower construction operations

The Group entered into a long-term agreement with a customer, whereby the Group provides construction and engineering services to the customer for the construction of telco towers which is considered as a single PO.

Under the terms of the agreement, control of the telco towers is transferred over time as the Group creates or enhances an asset that the customer controls as the asset is created or enhanced. Revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that PO. The progress towards complete satisfaction of a PO is determined by the proportion of construction costs incurred for work performed to date bear to the estimated total construction costs (an input method). This method is used because management considers expended costs to be the best available measure of progress on these contracts.

Contract costs include all direct materials and labour costs and those indirect costs related to contract performance, such as indirect labour, supplies, tools, repairs and depreciation costs. General and administrative expenses are expensed as incurred. Provisions for estimated losses on uncompleted contracts are made in the period in which such losses are determined. Changes in job performance, job conditions, and estimated profitability may result in revisions to costs and income and are recognised in the period in which the revisions are determined.

Sales are made with a credit term of 30 days, which is consistent with market practice, therefore, no element of financing is deemed present. The Group becomes entitled to invoice customer for construction of telco towers based on achieving a series of performance-related milestones.

##### (vi) Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customers. The Group's contract asset is the excess of cumulative revenue earned over the billings to-date.

When there is objective evidence of impairment, the amount of impairment losses is determined by comparing the contract asset's carrying amount and the present value of estimated future cash flows to be generated by the contract asset.

Contract asset is reclassified to trade receivables at the point at which invoices have been billed to customers.

##### (vii) Rental income

Rental income is recognised on a straight-line basis over the term of relevant lease.

##### (viii) Dividend income

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

##### (ix) Interest income

Interest income is recognised on an accrual basis using the effective interest method.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (b) Revenue and other income recognition (Cont'd)

##### (x) Government grants

Grants from the government are recognised at their fair values where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs they are intended to compensate.

Government grants relating to construction of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on the straight-line basis over the expected lives of the related assets.

##### (xi) Subsidies income from the government

Income from subsidies is recognised when services stipulated in the contracts entered are provided. Subsidies receivable is accrued on a timely basis, by reference to the contracts entered and is recognised as a contract asset on the statement of financial position.

#### (c) Employee benefits

##### (i) Short-term employee benefits

Wages, salaries, social security contributions and bonuses are recognised as an expense in the financial year in which the associated services are rendered by employees of the Group and of the Company. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

##### (ii) Defined contribution plan

As required by law, companies in Malaysia make contributions to the national pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense as incurred. Once the contributions have been paid, the Group and the Company have no further payment obligations.

#### (d) Borrowing costs

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method. Other borrowing costs i.e. bank and finance charges, are recognised as expenses in the period in which they are incurred.

In the Group's case, borrowing costs directly attributable to the construction of the bus terminals are capitalised as part of the cost of those assets.

The capitalisation of borrowing costs as part of the cost of a bus terminal commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the bus terminal for its intended use are interrupted or completed.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (e) Income taxes

##### Current income tax

Tax expense represents the aggregate amount of current and deferred tax. Current tax is the expected amount payable in respect of taxable income for the financial year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustments recognised for prior years' tax. When an item is recognised outside profit or loss, the related tax effect is recognised either in other comprehensive income or directly in equity.

##### Deferred tax

Deferred tax is recognised using the liability method, on all temporary differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognised if the temporary difference arises from the initial recognition of an asset or liability in a transaction, which is not a business combination and at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to apply in the period in which the assets are realised or the liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that there are sufficient taxable temporary differences relating to the same taxable entity and the same taxation authority to offset or when it is probable that future taxable profits will be available against which the assets can be utilised.

Deferred tax assets are reviewed at the end of each reporting period and are reduced to the extent that it is no longer probable that the related tax benefits will be realised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will be available for the assets to be utilised.

Deferred tax assets relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transactions either in other comprehensive income or directly in equity and deferred tax arising from business combination is adjusted against goodwill on acquisition or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the acquisition cost.

#### (f) Leases

##### ***As a lessee***

The Group presents right-of-use ("ROU") assets that do not meet the definition of investment property as property, plant and equipment in Note 11 and lease liabilities as borrowings in Note 26.

##### ROU assets

The ROU assets, other than leasehold land that measures using revaluation model, are measured at cost less accumulated depreciation (straight-line method) and any accumulated impairment losses, and adjust for any remeasurement of the lease liabilities. The estimated useful lives of ROU assets is determined on the same basis as those of property, plant and equipment as described in Note 3(g)(ii).

##### Lease liabilities

The lease liabilities, if any, are initially measured at the present value of the future lease payments at the commencement date, discounted using the Company's incremental borrowing rates. Subsequently, the lease liabilities are measured at amortised cost using the effective interest method.

The Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

##### Short-term leases and leases of low value assets

Lease payments associated with short-term leases and leases of low value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low value assets are those assets valued at less than RM20,000 each when purchased new.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (f) Leases (Cont'd)

##### *As a lessor*

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of "other operating income".

#### (g) Property, plant and equipment

##### (i) Recognition and measurement

Items of property, plant and equipment (other than certain leasehold land, an integrated public transportation terminal and building) are measured at cost less accumulated depreciation and accumulated impairment losses.

Certain leasehold land, an integrated public transportation terminal and building are measured using revaluation model, based on valuations by external independent valuers, less accumulated depreciation and accumulated impairment losses recognised after the date of revaluation. Any accumulated depreciation as at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The Group adopted a policy to revalue these assets once every 5 years or at shorter intervals whenever the fair value of the revalued assets is expected to differ materially from their carrying values. Any revaluation reserve is remained in equity as the assets are used.

Upon disposal, any revaluation surplus relating to the particular asset being sold is transferred to retained earnings.

##### (ii) Depreciation

Depreciation is recognised in profit or loss on straight-line basis over the estimated useful life of each component of an item of property, plant and equipment at the following annual rates:

Plant and machinery	10% - 20%
Commercial vehicles	7% - 15%
Motor vehicles	20%
Computer and software, renovation, office equipment, signboard and closed-circuit television ("CCTV")	10% - 20%

Leasehold land are amortised evenly over the lease periods of 31 to 99 years. Buildings, including IPTT are amortised evenly over the remaining useful lives of 9.84 to 50 years.

Capital work-in-progress is stated at cost less any accumulated impairment losses and includes borrowing cost incurred during the period of construction.

No depreciation is provided on capital work-in-progress and upon completion of construction, the cost will be transferred to property, plant and equipment.

##### (iii) Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal is determined as the difference between the disposal proceeds and the carrying amount of the asset and is recognised in profit or loss.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (h) Investment properties

Investment properties are stated at cost less accumulated depreciation and accumulated impairment losses.

Buildings and IPTT are depreciated on straight-line basis over its remaining useful life of 50 years.

#### (i) Goodwill

Goodwill is initially measured at cost, being excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

#### (j) Contract costs

Contract cost include the following:

##### (i) Incremental cost of obtaining a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

##### (ii) Cost to fulfil a contract

The Group recognises a contract cost that relates directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group, will be used in satisfying PO in the future and it is expected to be recovered.

These contract costs are initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates. An impairment loss is recognised in profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

#### (k) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories (petrol and diesel fuel, spare parts and groceries) is measured based on first-in, first-out (FIFO), and includes costs incurred in acquiring the inventories and other costs incurred in bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### (l) Cash and cash equivalents

Cash and cash equivalents consist of cash at bank and on hand and fixed deposits with licensed banks that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value. For the purpose of the statements of cash flows, cash and cash equivalents are presented net of bank overdraft and pledged deposits, if any.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

#### (m) Financial instruments

##### (i) Financial assets

Amortised cost – other investment, trade and other receivables (including refundable deposits and intragroup balances)

The Group's and the Company's other investment and receivables are initially recognised at fair value, which generally equates to transaction price, less any transaction costs. Subsequent to initial recognition, these receivables are measured at amortised cost as they are held for the purpose of obtaining contractual cash flows, which are solely interest and principal. Interest is calculated using the effective interest method and included as finance income in profit or loss. Impairment is presented as part of other expenses in profit or loss.

Details of impairment assessment on the other investment and receivables are disclosed in Note 35(i).

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in profit or loss.

##### (ii) Financial liabilities

Amortised cost – trade and other payables (including refundable deposits and intragroup balances)

All these financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. On derecognition, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

#### (n) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group and of the Company after deducting all of their liabilities. Ordinary shares are equity instruments.

##### Ordinary shares

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

##### Warrants

The issuance of the ordinary shares upon exercise of warrants is treated as new subscription of ordinary shares for the consideration equivalent to the exercise price of the warrants. Upon exercise of warrants, the proceeds are credited to share capital.

There were no proceeds received by the Company arising from the bonus issue of warrants, accordingly, no allocation of proceeds is required to account for the fair value of warrants issued.

##### Treasury shares

When issued shares of the Company are repurchased, the consideration paid, including any attributable transaction cost is presented as a change in equity. Repurchased shares that have not been cancelled are classified as treasury shares and presented as a deduction from equity. No gain or loss is recognised in profit or loss on the sale, re-issuance or cancellation of treasury shares.

When treasury shares are re-issued by resale, the difference between the sales consideration and the carrying amount of the treasury shares is shown as a movement in equity.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 4. REVENUE

Revenue represents the Group's and the Company's revenue from contracts with customers which are recognised at a point in time and over time. The accounting policies for revenue recognition are detailed in Note 3(b) to the financial statements.

	Note	Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
<b>Income from:</b>					
Operation of public transportation	(i)	<b>25,787,478</b>	25,319,265	-	-
Dividend income		-	-	<b>22,172,333</b>	26,527,800
IPTT operations	(ii)	<b>110,905,805</b>	109,880,877	-	-
Petrol station operations		<b>33,850,201</b>	35,474,223	-	-
Mining management operations		-	47,304	-	-
Telecommunication tower construction	(iii)	<b>2,621,818</b>	201,273	-	-
		<b>173,165,302</b>	170,922,942	<b>22,172,333</b>	26,527,800
Timing of recognition:					
- At a point in time		<b>68,515,748</b>	67,666,424	<b>22,172,333</b>	26,527,800
- Over time		<b>104,649,554</b>	103,256,518	-	-
		<b>173,165,302</b>	170,922,942	<b>22,172,333</b>	26,527,800

(i) Operation of public transportation

	Group	
	2023 RM	2022 RM
Bus fare income	<b>1,951,346</b>	1,719,700
Government support fund	<b>15,112,559</b>	15,178,024
Bus charter and advertising income	<b>8,723,573</b>	8,421,541
	<b>25,787,478</b>	25,319,265

Included in government support fund is government subsidy amounting to RM2,785,204 (2022: RM2,186,684).

(ii) IPTT operations

	Group	
	2023 RM	2022 RM
Rental income	<b>75,715,105</b>	77,546,288
Project facilitation fee	<b>32,300,000</b>	30,200,000
Entrance fee	<b>36,470</b>	36,000
Car park fee	<b>377,731</b>	236,501
Profit sharing from terminal management	<b>1,170,853</b>	629,088
Management fee	<b>1,305,646</b>	1,233,000
	<b>110,905,805</b>	109,880,877



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 4. REVENUE (Cont'd)

#### (iii) Unsatisfied contracts

The following table shows unsatisfied performance obligations resulting from telecommunication tower construction revenue:

	Group	
	2023 RM	2022 RM
Total contracted revenue	2,732,889	514,820
Less: Cumulative construction revenue recognised	(1,870,618)	(201,273)
Aggregate amount of the transaction price allocated to construction revenue that are partially or fully unsatisfied as at 31 December	862,271	313,547

The remaining unsatisfied performance obligations are expected to be recognised in the next 12 months.

### 5. INVESTMENT REVENUE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Interest income from:</b>				
Fixed deposits	506,672	288,393	482,052	266,338
Other investments	109,787	177	746	177
	616,459	288,570	482,798	266,515

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 6. OTHER OPERATING INCOME/(EXPENSES) AND EMPLOYEE BENEFITS EXPENSE

Included in other operating income/(expenses) are the following:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Auditors' remuneration:				
- statutory audit	(169,000)	(165,000)	(55,000)	(55,000)
- other services	(5,000)	(5,000)	(5,000)	(5,000)
Amortisation of contract costs				
- current year	(338,889)	(342,489)	-	-
- over provision in prior years	-	179,543	-	-
Contract cost written off	-	(8,847)	-	-
Deposits forfeited	11,840	66,476	-	-
Expenses related to leases				
- short-term leases	(759,146)	(661,746)	-	-
- leases of low-value assets	(32,620)	(28,862)	-	-
Gain on disposal of property, plant and equipment	1,200,294	2,999	-	-
Impairment loss on trade receivables	-	(311,230)	-	-
Interest income from current account	2,281,366	421,065	2,233,833	405,626
Interest income from financial assistance to subsidiaries	-	-	10,733,764	7,779,021
Property, plant and equipment written off	(15,001)	(5,878)	-	-
Rental income from investment property - building	480,000	480,000	-	-
Rental income from machinery	3,114,416	3,103,674	-	-
Rental income from spaces	998,500	990,300	-	-
Wage subsidy				
- current year	-	336,000	-	-
- over provision in prior year	-	(134,400)	-	-

Included in employee benefits expense of the Group is contributions made to EPF of RM827,824 (2022: RM734,658).

### 7. DIRECTORS' REMUNERATION

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Salaries, allowances and bonuses	1,274,080	1,152,250	178,000	178,000
EPF	176,654	157,406	13,440	13,440
Fees	282,000	282,000	282,000	282,000
	<u>1,732,734</u>	<u>1,591,656</u>	<u>473,440</u>	<u>473,440</u>

The estimated monetary value of benefits-in-kind received and receivable by the Directors other than in cash from the Group and from the Company amounted to RM10,600 (2022: RM10,600) and RM5,300 (2022: RM5,300) respectively.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 8. FINANCE COSTS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2023 RM
Bank charges, commitment fees and commission charges	1,498	1,109	206	123
Bank guarantee charges	7,284	6,312	-	-
Interest on advance from a fellow subsidiary	-	-	19,598	-
Lease liabilities interest	138,959	185,399	-	-
Revolving credit interest	2,029,700	874,265	2,029,700	874,265
Term loans interest	1,599,761	1,203,414	1,599,761	1,203,414
Sukuk Murabahah interest:				
- Gross interest	22,104,027	11,801,726	22,104,027	11,801,726
- Less: Back-to-back charged to subsidiaries	-	-	(21,579,626)	(11,359,164)
	22,104,027	11,801,726	524,401	442,562
	25,881,229	14,072,225	4,173,666	2,520,364
Less: Capitalised to property, plant and equipment (Note 11d)	(12,480,448)	(3,290,895)	-	-
	13,400,781	10,781,330	4,173,666	2,520,364

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 9. TAX EXPENSE

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Tax expense comprises:				
<b>Current income tax:</b>				
- Current year	(7,687,300)	(8,097,600)	(2,229,000)	(1,529,000)
- Over/(Under) provision in prior years	83,966	(881,101)	16,669	(29,727)
	<u>(7,603,334)</u>	<u>(8,978,701)</u>	<u>(2,212,331)</u>	<u>(1,558,727)</u>
<b>Deferred tax (Note 28):</b>				
Relating to origination and reversal of temporary differences:				
- Current year	(9,044,437)	(12,840,785)	-	-
- Under provision in prior year	(69,083)	(2,064,671)	-	-
	<u>(9,113,520)</u>	<u>(14,905,456)</u>	-	-
Relating to crystallisation of deferred tax liabilities on revaluation surplus of properties:				
- Current year	250,390	248,632	-	-
Reversal upon disposal of vacant land	649,885	-	-	-
	<u>(8,213,245)</u>	<u>(14,656,824)</u>	-	-
<b>Real property gains tax:</b>				
- Current year	(300,305)	-	-	-
	<u>(16,116,884)</u>	<u>(23,635,525)</u>	<u>(2,212,331)</u>	<u>(1,558,727)</u>

The tax reconciliation from the tax amount at statutory income tax rate to the Group's and to the Company's tax expense is as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Profit before tax	81,226,837	83,652,365	26,079,808	29,056,339
Tax at the Malaysian statutory income tax rate of 24%	(19,494,441)	(20,076,568)	(6,259,154)	(6,973,521)
Income not subject to tax	375,405	191,265	5,321,539	6,366,714
Expenses not deductible for tax purposes	(2,738,901)	(1,840,737)	(1,291,385)	(922,193)
Effect of qualifying assets disallowed	2,121,293	-	-	-
Deduction on borrowing costs capitalised	2,995,307	789,815	-	-
Deferred tax assets not recognised	-	(2,160)	-	-
Crystallisation of deferred tax liabilities on revaluation surplus of properties	250,390	248,632	-	-
Under provision of deferred tax in prior years	(69,083)	(2,064,671)	-	-
Over/(Under) provision of current tax in prior years	83,966	(881,101)	16,669	(29,727)
Reversal upon disposal of vacant land	649,885	-	-	-
Real property gains tax	(300,305)	-	-	-
Utilisation of tax losses from prior years	9,600	-	-	-
Tax expense for the financial year	<u>(16,116,884)</u>	<u>(23,635,525)</u>	<u>(2,212,331)</u>	<u>(1,558,727)</u>



## NOTES TO THE FINANCIAL STATEMENTS

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### 9. TAX EXPENSE (Cont'd)

The Group has the following estimated unutilised tax losses and unutilised investment allowance available for set-off against future taxable profits as follows (stated at gross):

	Group (Restated)		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Unutilised investment allowance	49,831,000	88,156,000	-	-
Unutilised tax losses	-	40,000	-	-
	<b>49,831,000</b>	<b>88,196,000</b>	-	-

The previous year's deferred tax assets not recognised of the Group related to unutilised tax losses.

The availability of tax losses will be subject to the Inland Revenue Board's discretion and approval to offset against future taxable profit.

The unutilised tax losses will be allowed to be carried forward for 10 consecutive years of assessment ("YA") (previously 7 YAs) deemed to be effective from YA 2019.

### 10. EARNINGS PER ORDINARY SHARE

#### Basic earnings per ordinary share

Basic earnings per ordinary share for the financial year is calculated by dividing the profit after tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares.

	Group	
	2023	2022
Profit after tax attributable to the owners of the Company (RM)	<b>65,082,718</b>	59,999,619
<b>Weighted average number of ordinary shares (unit)</b>		
Issued ordinary shares at 1 January <sup>^</sup>	<b>1,068,301,459</b>	1,000,612,094
Effects of:		
Exercise of warrants	<b>21,918,626</b>	448,060
Private placement	-	41,850,593
	<b>21,918,626</b>	42,298,653
<b>Weighted average number of ordinary shares at 31 December</b>	<b>1,090,220,085</b>	1,042,910,747
Basic earnings per ordinary share (sen)	<b>5.97</b>	5.75

## NOTES TO THE FINANCIAL STATEMENTS

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### 10. EARNINGS PER ORDINARY SHARE (Cont'd)

#### Diluted earnings per ordinary share

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit after tax attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year, excluding treasury shares and adjusted for the effects of dilutive potential ordinary shares.

	<b>Group</b>	
	<b>2023</b>	<b>2022</b>
Profit after tax attributable to the owners of the Company (RM)	<u>65,082,718</u>	<u>59,999,619</u>
<b>Weighted average number of ordinary shares (unit)</b>		
Weighted average number of ordinary shares at 31 December (basic) ^	<b>1,090,220,085</b>	1,042,910,747
Effect of dilution:		
Conversion/Exercise of warrants	<u>42,559,240</u>	<u>18,090,610</u>
<b>Weighted average number of ordinary shares at 31 December</b>	<b><u>1,132,779,325</u></b>	<b><u>1,061,001,357</u></b>
Diluted earnings per ordinary share (sen)	<u>5.75</u>	<u>5.65</u>

^ Weighted average number of ordinary shares in issue has been adjusted to reflect the adjustments arising from the bonus issue, which was approved on 8 March 2024 (Note 39) with the comparatives i.e. 1 January 2022 being restated accordingly.



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11. PROPERTY, PLANT AND EQUIPMENT

Group	At valuation		At cost										Total		
	RM	RM	Leasehold land	Buildings	IPTT - TMR #	Leasehold land	IPTT - KPS #	(Own use) Plant and machinery	(Subject to operating lease) Plant and machinery	Commercial vehicles	Motor vehicles	Computer and software, renovation, office equipment, signboard and CCTV		Capital work-in-progress	RM
2023															
<b>At valuation/cost</b>															
At 1 January	71,265,000	16,524,094	292,770,800	2,561,844	221,622,210	7,587,266	6,986,619	55,176,420	2,236,868	4,726,361	219,216,973	900,674,455			
Acquisition of a subsidiary	-	-	-	3,165,814	-	-	-	-	-	-	630,000	3,795,814			
Additions	-	-	28,030,000	-	20,456,303	124,201	-	-	1,456,685	50,057	198,908,004	249,025,250			
Disposal	(11,000,000)	-	-	-	-	-	-	-	-	-	-	(11,000,000)			
Written off	-	-	-	-	-	-	-	-	-	(180,000)	(15,000)	(195,000)			
At 31 December	60,265,000	16,524,094	320,800,800	5,727,658	242,078,513	7,711,467	6,986,619	55,176,420	3,693,553	4,596,418	418,739,977	1,142,300,519			
<b>Accumulated depreciation</b>															
At 1 January	2,730,755	1,738,835	20,153,366	77,632	9,913,425	3,476,958	6,542,058	35,573,936	1,770,203	2,597,115	-	84,574,283			
Acquisition of a subsidiary	-	-	-	25,831	-	-	-	-	-	-	-	25,831			
Charge for the financial year	1,050,621	508,928	7,241,042	26,747	4,697,570	671,464	444,531	4,359,085	386,671	422,205	-	19,808,864			
Disposal	(571,244)	-	-	-	-	-	-	-	-	-	-	(571,244)			
Written off	-	-	-	-	-	-	-	-	-	(179,999)	-	(179,999)			
At 31 December	3,210,132	2,247,763	27,394,408	130,210	14,610,995	4,148,422	6,986,589	39,933,021	2,156,874	2,839,321	-	103,657,735			
<b>Carrying amount</b>															
At 31 December	57,054,868	14,276,331	293,406,392	5,597,448	227,467,518	3,563,045	30	15,243,399	1,536,679	1,757,097	418,739,977	1,038,642,784			

\* The Directors opined that the market value is not expected to differ materially from the carrying amount as the renovation work at the IPTT - KPS is still ongoing and a revaluation will only be carried out upon completion of the renovation work

# "TMR" refers to Terminal Meru Raya, while "KPS" refers to Kampar Putra Sentral.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

Group	At valuation		At cost									
	Leasehold land RM	Buildings <sup>^</sup> RM	IPTT - TMR # RM	Leasehold land RM	IPTT - KPS <sup>*#</sup> RM	(Own use) Plant and machinery RM	(Subject to operating lease) Plant and machinery RM	Commercial vehicles RM	Motor vehicles RM	Computer and software, renovation, office equipment, signboard and CCTV RM	Capital work-in-progress RM	Total RM
<b>2022</b>												
<b>At valuation/cost</b>												
At 1 January	62,065,000	16,524,094	292,770,800	2,561,844	201,400,902	7,588,036	6,986,619	55,176,420	2,278,668	4,667,490	56,335,514	708,355,387
Additions	4,000,000	-	-	-	20,221,308	200	-	-	15,000	99,492	165,681,459	190,017,459
Disposal	-	-	-	-	-	-	-	-	(56,800)	-	-	(56,800)
Written off	-	-	-	-	-	(970)	-	-	-	(40,621)	-	(41,591)
Reclassification	2,800,000	-	-	-	-	-	-	-	-	-	(2,800,000)	-
Revaluation	2,400,000	-	-	-	-	-	-	-	-	-	-	2,400,000
At 31 December	71,265,000	16,524,094	292,770,800	2,561,844	221,622,210	7,587,266	6,986,619	55,176,420	2,236,868	4,726,361	219,216,973	900,674,455
<b>Accumulated depreciation</b>												
At 1 January	1,883,458	1,229,906	13,199,562	51,754	5,704,069	2,802,839	5,159,575	31,096,023	1,554,134	2,190,420	-	64,871,740
Charge for the financial year	983,022	508,929	6,953,804	25,878	4,209,356	674,827	1,382,483	4,477,913	272,868	441,700	-	19,930,780
Disposal	-	-	-	-	-	-	-	-	(56,799)	-	-	(56,799)
Written off	-	-	-	-	-	(708)	-	-	-	(35,005)	-	(35,713)
Revaluation	(135,725)	-	-	-	-	-	-	-	-	-	-	(135,725)
At 31 December	2,730,755	1,738,835	20,153,366	77,632	9,913,425	3,476,958	6,542,058	35,573,936	1,770,203	2,597,115	-	84,574,283
<b>Carrying amount</b>												
At 31 December	68,534,245	14,785,259	272,617,434	2,484,212	211,708,785	4,110,308	444,561	19,602,484	466,665	2,129,246	219,216,973	816,100,172

<sup>^</sup> As at 31 December 2022, the title of a building of the Group with carrying amount of RM7,039,421 was successfully registered in the name of a subsidiary.

<sup>\*</sup> The Directors opined that the market value is not expected to differ materially from the carrying amount as the renovation work at the IPTT - KPS is still ongoing and a revaluation will only be carried out upon completion of the renovation work.

<sup>#</sup> "TMR" refers to Terminal Meru Raya, while "KPS" refers to Kampar Putra Sentral.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Motor vehicle	
	2023	2022
	RM	RM
<b>Company</b>		
<b>At cost</b>		
At 1 January/31 December	<u>166,970</u>	<u>166,970</u>
<b>Accumulated depreciation</b>		
At 1 January/31 December	<u>166,969</u>	<u>166,969</u>
<b>Carrying amount</b>		
At 31 December	<u>1</u>	<u>1</u>

(a) Right-of-use assets

The Group leases several assets and the information about leases of the Group as lessee is presented below:

	Leasehold land RM	Motor vehicles RM	Plant and machinery RM	Total RM
<b>2023</b>				
<b>Carrying amount</b>				
At 1 January	71,018,457	369,826	2,343,748	73,732,031
Acquisition of a subsidiary	3,139,983	-	-	3,139,983
Addition	-	1,272,284	-	1,272,284
Disposal	(10,428,756)	-	-	(10,428,756)
Derecognition	-	(156,422)	-	(156,422)
Depreciation	(1,077,368)	(212,105)	(326,448)	(1,615,921)
At 31 December	<u>62,652,316</u>	<u>1,273,583</u>	<u>2,017,300</u>	<u>65,943,199</u>
<b>2022</b>				
<b>Carrying amount</b>				
At 1 January	62,691,632	724,525	4,167,923	67,584,080
Addition	4,000,000	-	-	4,000,000
Reclassification	2,800,000	-	-	2,800,000
Derecognition	-	(82,316)	(1,273,209)	(1,355,525)
Revaluation	2,535,725	-	-	2,535,725
Depreciation	(1,008,900)	(272,383)	(550,966)	(1,832,249)
At 31 December	<u>71,018,457</u>	<u>369,826</u>	<u>2,343,748</u>	<u>73,732,031</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

#### (a) Right-of-use assets (Cont'd)

The leasehold land generally have lease terms between 31 to 99 years. Motor vehicles have lease term of 2 to 8 years. Plant and machinery have lease terms of 10 years.

The motor vehicles and plant and machinery are acquired under lease arrangement and are pledged as security for the related lease liabilities (Note 26). The derecognition during the financial year under review refers to those lease arrangement fully settled during the financial year.

The leasehold land can be further analysed into the following usage:

	2023 RM	2022 RM
<u>Occupied leasehold land</u>		
<i>At valuation:</i>		
- IPTT - TMR	32,798,817	33,183,990
- IPTT - KPS	4,769,797	4,821,919
- Petrol station	7,012,874	7,123,167
- Tronoh land	10,366,278	10,479,196
- Others	2,107,102	2,173,418
	<b>57,054,868</b>	<b>57,781,690</b>
<i>At cost:</i>		
- Bidor Sentral - in-progress	2,458,334	2,484,212
- Others	3,139,114	-
	<b>5,597,448</b>	<b>2,484,212</b>
	<b>62,652,316</b>	<b>60,265,902</b>
<u>Vacant leasehold land</u>		
<i>At valuation:</i>		
- Chepor land	-	10,752,555
	<b>62,652,316</b>	<b>71,018,457</b>

#### (b) Assets pledged as security

As at 31 December 2023, leasehold land, buildings and both IPTT at TMR and KPS of the Group with carrying amount of RM591,546,689 (2022: RM556,162,533) are pledged to licensed banks for banking facilities granted to the Company as disclosed in Note 26.

#### (c) Assets held in trust

The Group has commercial vehicles with carrying amount of RM3,426,982 (2022: RM4,393,422) being registered under the names of other permit holders who hold the commercial vehicles in trust for the Group. The Group has been granted the rights to use the Operators' Licenses held by other permit holders to operate certain bus routes.

The Group's motor vehicles with carrying amount of RM1,129,392 (2022: RM Nil) are being registered under the name of certain Directors, held in trust for the Group.

#### (d) Capitalisation of borrowing costs

Included in additions of the Group during the financial year are capitalised borrowing costs amounting to RM12,480,448 (2022: RM3,290,895) as disclosed in Note 8.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(e) Revaluation of leasehold land, buildings and IPTT - TMR

Occupied leasehold land, buildings and IPTT were last revalued on 31 July 2019 based on valuations performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

Vacant leasehold land was last revalued on 31 July 2019 based on valuation performed by a registered independent valuer having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. On 28 February 2022, the Group has carried out a revaluation on the said category of leasehold land as there is objective evidence that the fair value has differed materially from its carrying amount.

Leasehold land and a building's (commercial shopt) revaluation amounts were arrived at by reference to market evidence of transaction prices for similar properties.

The revaluation amounts of buildings other than the building stated above were determined based on depreciated replacement cost method where there is a building erected upon the land by estimating the cost of constructing a new similar building and deducting therefrom all the depreciation due to physical, design and economic obsolescence.

The IPTT - TMR's revaluation amount was arrived at using the profit method by converting future income and expenses to a single discounted amount and taking into consideration the remaining lease period of the property.

The revaluation amounts of the leasehold land, buildings and IPTT - TMR are categorised at Level 3 of the fair value hierarchy and were estimated using observable inputs for the properties.

If the leasehold land, buildings and IPTT - TMR currently carried at valuation were measured using the cost model, the carrying amounts would have been as follows:

	2023 RM	Group 2022 RM
Leasehold land:		
At cost	16,476,401	24,959,073
Less: Accumulated depreciation	<u>(1,693,321)</u>	<u>(2,029,368)</u>
	<u>14,783,080</u>	<u>22,929,705</u>
Buildings:		
At cost	13,796,516	13,796,516
Less: Accumulated depreciation	<u>(2,532,222)</u>	<u>(2,224,666)</u>
	<u>11,264,294</u>	<u>11,571,850</u>
IPTT - TMR:		
At cost	332,298,841	304,268,841
Less: Accumulated depreciation	<u>(46,929,682)</u>	<u>(40,016,229)</u>
	<u>285,369,159</u>	<u>264,252,612</u>

(f) Plant and machinery subject to operating leases

The Company leases some of its plant and machinery to a third party. Each lease contains an initial cancellable period of 1 year with option to renew on a yearly basis. Subsequent renewals are negotiated with the lessee. As the lease arrangements are on a yearly renewal basis, no deposits or advance rental payments are collected as collateral and they do not include any residual value guarantees.

## NOTES TO THE FINANCIAL STATEMENTS

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### 12. INVESTMENT PROPERTIES

	IPTT - KPS RM	Building RM	Total RM
<b>Group</b>			
<b>2023</b>			
<b>At cost</b>			
At 1 January	87,062,884	6,636,056	93,698,940
Additions	8,038,339	-	8,038,339
At 31 December	<u>95,101,223</u>	<u>6,636,056</u>	<u>101,737,279</u>
<b>Accumulated depreciation</b>			
At 1 January	3,895,222	666,917	4,562,139
Charge for the financial year	1,845,425	132,721	1,978,146
At 31 December	<u>5,740,647</u>	<u>799,638</u>	<u>6,540,285</u>
<b>Carrying amount</b>			
At 31 December	<u>89,360,576</u>	<u>5,836,418</u>	<u>95,196,994</u>
<b>At fair value</b>			
	<u>92,000,000</u>	<u>6,900,000</u>	<u>98,900,000</u>
<b>2022</b>			
<b>At cost</b>			
At 1 January	79,116,887	6,636,056	85,752,943
Additions	7,945,997	-	7,945,997
At 31 December	<u>87,062,884</u>	<u>6,636,056</u>	<u>93,698,940</u>
<b>Accumulated depreciation</b>			
At 1 January	2,241,644	534,196	2,775,840
Charge for the financial year	1,653,578	132,721	1,786,299
At 31 December	<u>3,895,222</u>	<u>666,917</u>	<u>4,562,139</u>
<b>Carrying amount</b>			
At 31 December	<u>83,167,662</u>	<u>5,969,139</u>	<u>89,136,801</u>
<b>At fair value</b>			
	<u>90,000,000</u>	<u>6,900,000</u>	<u>96,900,000</u>

The investment properties are held to earn rental income and for capital appreciation.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 12. INVESTMENT PROPERTIES (Cont'd)

The following are the operating income and expenses in respect of the investment properties:

	Group	
	2023 RM	2022 RM
Rental income:		
- IPTT - KPS	27,383,271	28,744,159
- Building	480,000	480,000
Direct operating expenses	<u>441,491</u>	<u>422,440</u>

As at 31 December 2023, both IPTT - KPS and building are pledged to licensed banks for banking facilities granted to the Company as disclosed in Note 26.

The fair values of the investment properties were determined based on the Directors' best estimate and categorised at Level 3 of the fair value hierarchy.

### 13. CONTRACT COSTS

	Costs to obtain a contract	
	2023 RM	2022 RM
<b>Group</b>		
<b>At cost</b>		
At 1 January	3,050,000	3,650,000
Adjustment	-	(582,000)
Written off due to termination of contract	-	(18,000)
At 31 December	<u>3,050,000</u>	<u>3,050,000</u>
<b>Accumulated amortisation</b>		
At 1 January	649,537	495,744
Current charge	338,889	342,489
Over provision in prior years	-	(179,543)
Written off due to termination of contract	-	(9,153)
At 31 December	<u>988,426</u>	<u>649,537</u>
<b>Carrying amount</b>		
At 31 December	<u>2,061,574</u>	<u>2,400,463</u>

The contract costs as at the end of the reporting period relate to the Group's terminal management system operation.

The costs to obtain contracts are amortised over the period of 9 years (2022: 9 years) according to the tenure of the agreements with the relevant party.

During the financial year 31 December 2022, the Group and the joint venture partner of the mining management operation have mutually agreed to terminate the JVA effective 31 December 2022 and the total cost payable to the joint venture partner was revised from RM600,000 to RM18,000.

## NOTES TO THE FINANCIAL STATEMENTS

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### 14. INVESTMENT IN SUBSIDIARIES

	Company	
	2023 RM	2022 RM
<b>Unquoted shares at cost:</b>		
At 1 January	177,037,349	151,937,449
Additions	29,970,000	25,099,900
At 31 December	207,007,349	177,037,349

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Effective equity interest		Principal activities
		2023 %	2022 %	
CKS Labur Sdn. Bhd.	Malaysia	100	100	Petrol station operator.
Ipoh Link Sdn. Bhd.	Malaysia	100	100	Providing management services for bus operation.
Terminal Urus Sdn. Bhd. ("TUSB")	Malaysia	100	100	Bus terminal management.
Syarikat Sumber Manusia Sdn. Bhd.	Malaysia	100	100	Providing human resource management services but ceased operations during the year and commenced providing manpower services to supply groundworkers for terminal and bus operations.
The Combined Bus Services Sdn. Bhd. ("TCBS")	Malaysia	99.97	99.97	Operators of bus terminal, petrol station, public transportation and leasing of plant and equipment.
Star Kensington Sdn. Bhd.	Malaysia	100	100	Petrol station operator.
CKS Bumi Sdn. Bhd.	Malaysia	100	100	Bus operator and operator of petrol station
PTRANS Resources Sdn. Bhd. ("PRSB")	Malaysia	100	100	Telecommunication tower construction operations.
Citipalms Sdn. Bhd. ("Citipalms") #	Malaysia	100	-	Operator of bus terminal.

# The statutory financial year end of Citipalms was 30 June 2023 which does not coincide with the financial year end of the Group. Citipalms is in the midst of changing its financial year end to coincide with the Group. For the purposes of consolidation, the financial statements of Citipalms for the financial year ended 30th June 2023 have been used and appropriate adjustments have been made for the effects of significant transactions from Citipalms' financial year end to 31 December 2023.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 14. INVESTMENT IN SUBSIDIARIES (Cont'd)

#### 2023

- (a) On 8 March 2023 and 12 September 2023, the Company subscribed for additional 650,000 new ordinary shares in PRSB as satisfaction of RM650,000 owing from PRSB. The effective equity interest in PRSB remains at 100%.
- (b) On 11 August 2023, the Company subscribed for an additional 29,000,000 new ordinary shares in TCBS as satisfaction of RM29,000,000 owing from TCBS. The effective equity interest in TCBS remains at 99.97%.
- (c) On 21 December 2023, the Company subscribed for 400,006 new ordinary shares in Citipalms, representing 100% equity interest in Citipalms for a total cash consideration of RM320,000. Consequently, Citipalms became a wholly-owned subsidiary of the Company.

Fair value of the identifiable assets acquired and liabilities recognised by Citipalms is as follows:

	<b>2023</b>
	<b>RM</b>
Property, plant and equipment	<b>3,769,983</b>
Other payables	<b>(3,439,249)</b>
Tax payable	<b>(10,734)</b>
Total identifiable net assets acquired, equivalent to fair value of consideration transferred	<b>320,000</b>

The effects of acquisition in the Group's statement of comprehensive income is immaterial as Citipalms is still dormant as at the end of the reporting period.

#### 2022

- (a) On 24 June 2022, the Company subscribed for an additional 25,000,000 new ordinary shares in TCBS, representing 0.01% equity interest in TCBS for a total cash consideration of RM25,000,000.
- (b) On 8 November 2022, the Company subscribed for an additional 99,900 new ordinary shares in PRSB as satisfaction of RM99,900 owing from PRSB.

#### Non-controlling interests ("NCI") in a subsidiary

The NCI at the end of the reporting period comprise the following:

	<b>TCBS</b>	
	<b>2023</b>	<b>2022</b>
NCI percentage of ownership and voting interest	<b>0.03%</b>	0.03%
Carrying amount of NCI (RM)	<b>144,030</b>	123,662
Profit allocated to NCI (RM)	<b>27,235</b>	17,221
Total comprehensive income allocated to NCI (RM)	<b>27,235</b>	17,221

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 14. INVESTMENT IN SUBSIDIARIES (Cont'd)

Summarised financial information before intragroup elimination:

	TCBS	
	2023 RM	2022 RM
<b>At 31 December</b>		
Non-current assets	1,117,879,746	876,577,549
Current assets	41,670,026	53,825,746
Non-current liabilities	(420,572,204)	(250,948,253)
Current liabilities	(258,879,066)	(267,248,357)
Net assets	<u>480,098,502</u>	<u>412,206,685</u>
<b>For the financial year ended 31 December</b>		
Revenue	136,526,314	134,724,509
Profit for the financial year	60,551,017	57,402,316
Total comprehensive income	60,551,017	57,402,316
Cash flows from/(used in):		
Operating activities		
Investing activities	106,610,296	111,976,962
Financing activities	(243,990,905)	(190,220,996)
	<u>127,037,415</u>	<u>81,114,412</u>
Dividends to NCI	6,867	9,401

### 15. AMOUNT DUE FROM/(TO) SUBSIDIARIES

	Note	Company	
		2023 RM	2022 RM
<b>Amount due from subsidiaries</b>			
<b>Non-trade</b>			
Interest bearing at KLIBOR + 1.90%	(a)	418,810,490	252,666,812
Interest bearing at COF + 1.80% per month	(b)	192,899,194	206,355,382
		<u>611,709,684</u>	<u>459,022,194</u>
Analysed as:			
Repayable within one year		237,540,352	243,980,896
Repayable between one and two years		59,493,717	42,088,412
Repayable between two and five years		183,278,358	132,708,150
Repayable more than five years		131,397,257	40,244,736
		<u>374,169,332</u>	<u>215,041,298</u>
		<u>611,709,684</u>	<u>459,022,194</u>
<b>Amount due to a subsidiary</b>			
<b>Non-trade</b>			
Interest bearing at COF + 1.80% per month	(b)	(3,309,598)	-

(a) The amount is related to the advances extended to certain subsidiaries for the purpose of redemption of the subsidiaries' borrowings in the previous financial years and to finance a subsidiary's capital expenditure requirement at terminals and the subsidiary's working capital requirement by using the proceeds from issuance of Sukuk Murabahah (Note 26) and is repayable over 7 years.

(b) The amount is unsecured and is collectible/repayable on demand.



## NOTES TO THE FINANCIAL STATEMENTS

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### 16. GOODWILL

	2023 RM	Group 2022 RM
<b>At cost</b>		
1 January/31 December	<u>1,622,631</u>	<u>1,622,631</u>

Goodwill acquired in a business combination is allocated, at acquisition date, to the cash-generating units ("CGUs") that are expected to benefit from the business combinations. The Group considers each subsidiary acquired as a single CGU and the carrying amounts of goodwill were allocated to the respective subsidiaries.

Goodwill on consolidation arose from the acquisition of four (4) direct subsidiaries, namely Ipoh Link Sdn. Bhd., CKS Bumi Sdn. Bhd., CKS Labur Sdn. Bhd. and Terminal Urus Sdn. Bhd. because the consideration paid for the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and the assembled workforce of the subsidiaries. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on these acquisitions is deductible for tax purposes.

During the financial year, the Group performed goodwill impairment testing and no impairment loss is required to be recognised as the recoverable amounts are higher than the respective carrying amounts.

The recoverable amounts of the CGUs were based on value-in-use calculations. The calculations were determined using projected cash flows for a five-year period and by extrapolation using the growth rate based on historical experience, management's assessment of future trends and expectation of market development in the respective industries.

The key assumptions used in the preparation of the projected cash flows are as follows:

- (i) Pre-tax discount rate is 7.04% (2022: 7.70%);
- (ii) There will be no material changes in the structure and principal activities of the subsidiaries;
- (iii) Subsidiaries currently operating petrol stations will continue to operate under respective agreements entered with fuel producers for the duration of the forecast;
- (iv) Sales growth rate of 2% - 5% (2022: 2% - 5%) per annum;
- (iv) There will not be any significant changes in the prices and supply of raw materials, wages and other related costs, resulting from industrial dispute, adverse changes in economic conditions or other abnormal factors, which will adversely affect the operations of the Group; and
- (vi) Receivables and payables turnover periods are estimated to be consistent with the current financial year.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 17. OTHER INVESTMENT

	2023 RM	Group 2022 RM
<b>Financial assets at amortised cost</b>		
Investment in structured product with a licensed bank	<u>5,007,671</u>	-

The Group has investment in structured product with a licensed bank has a maturity period of 5 years and a fixed coupon interest of 4% per annum receivable on quarterly basis.

### 18. INVENTORIES

	2023 RM	Group 2022 RM
<b>At cost:</b>		
Spare parts	82,874	92,870
Purchase of goods - Terminal	144	-
Trading goods:		
Petrol and diesel fuel	779,387	672,335
Groceries	<u>184,492</u>	<u>194,133</u>
	<u>1,046,897</u>	<u>959,338</u>

The Group recognised inventories as cost of sales amounted to RM32,092,518 (2022: RM33,544,992).



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 19. TRADE AND OTHER RECEIVABLES

	Group	
	2023 RM	2022 RM
Trade receivables, gross	28,001,249	25,516,261
Less: Impairment loss		
At 1 January	(311,230)	-
Current charge	-	(311,230)
At 31 December	(311,230)	(311,230)
	<u>27,690,019</u>	<u>25,205,031</u>
Other receivables	177,106	181,547
	<u>27,867,125</u>	<u>25,386,578</u>

Trade receivables of the Group comprise amounts receivables for the sales of goods and services rendered. The trade transactions are either on cash term or credit terms which ranged from 30 to 180 days (2022: 30 to 180 days).

### 20. CONTRACT ASSETS

	Note	Group	
		2023 RM	2022 RM
<b>Government support fund</b>	(a)	<u>1,491,429</u>	3,061,243
<b>Telecommunication tower construction</b>	(b)		
At 1 January		65,292	-
Revenue recognised during the financial year		2,621,818	201,273
Progress billings during the financial year		(1,520,639)	(135,981)
At 31 December		<u>1,166,471</u>	<u>65,292</u>
		<u>2,657,900</u>	<u>3,126,535</u>

The contract assets of the Group relate to:

- (a) The rights to the government support fund arising from the stage bus services provided up to the end of the reporting period but yet to be approved by the government.
- (b) The rights to the revenue earned arising from the construction work completed but yet to bill as at the end of the reporting period.

### 21. OTHER ASSETS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Refundable deposits	1,198,931	1,056,168	4,500	4,500
Non-refundable deposits	28,354	28,354	-	-
Prepayments	1,775,911	1,737,237	115,058	114,589
Dividend receivable	-	-	4,190,875	6,841,748
	<u>3,003,196</u>	<u>2,821,759</u>	<u>4,310,433</u>	<u>6,960,837</u>

Included in refundable deposits of the Group are non-interest bearing deposit amounting to RM560,653 (2022: RM495,000)

## NOTES TO THE FINANCIAL STATEMENTS

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placed with a licensed bank for the Group's bank guarantee facility.

### 22. FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Encumbered	22,232,230	16,134,275	21,425,185	15,343,830
Unencumbered	362,123	354,088	29,121	29,106
	<u>22,594,353</u>	<u>16,488,363</u>	<u>21,454,306</u>	<u>15,372,936</u>

The encumbered fixed deposits are pledged to licensed banks as security for bank guarantee facilities granted to certain subsidiaries and the Sukuk Murabahah facility granted to the Company.

The effective interest rates of the Group's and of the Company's deposits range from 1.75% to 2.70% (2022: 1.75% to 2.40%) per annum and the maturities are within 12 months.

### 23. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares with no par value		Amount	
	2023 Unit	2022 Unit	2023 RM	2022 RM
<b>Issued and fully paid:</b>				
At 1 January	712,822,937	645,133,572	328,120,700	287,556,892
Private placement	-	63,473,400	-	38,084,040
Exercise of warrants	29,308,000	4,215,965	21,981,000	3,161,973
Transaction cost of shares issue	-	-	(1,513)	(682,205)
At 31 December	<u>742,130,937</u>	<u>712,822,937</u>	<u>350,100,187</u>	<u>328,120,700</u>

#### (a) Ordinary shares

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

#### 2023

During the financial year, the Company increased its issued and paid-up share capital from 712,822,937 ordinary shares (inclusive of 10,399,999 treasury shares) to 742,130,937 ordinary shares (inclusive of 10,399,999 treasury shares) by way of the issuance of 29,308,000 new ordinary shares pursuant to the exercise of warrants at an exercise price of RM0.75 per ordinary share for cash.

#### 2022

During the financial year, the Company increased its issued and paid-up share capital from 645,133,572 ordinary shares (inclusive of 10,399,999 treasury shares) to 712,822,937 ordinary shares (inclusive of 10,399,999 treasury shares) by way of the following issuance:

- (i) Private placement of 63,473,400 new ordinary shares at an issue price of RM0.60 per ordinary share on 5 May 2022; and
- (ii) 4,215,965 new ordinary shares pursuant to the exercise of warrants at an exercise price of RM0.75 per ordinary share for cash.



## NOTES TO THE FINANCIAL STATEMENTS

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### 23. SHARE CAPITAL (Cont'd)

#### (b) Detachable warrants

##### Warrants B

The Company has issued 158,682,251 free warrants ("Warrants B") on the basis of 1 warrant for every 4 existing ordinary shares in the Company pursuant to the bonus issue of free warrants and completed the exercise following the listing of and quotation for the warrants on the Main Market of Bursa Malaysia Securities Berhad on 11 August 2021.

All the warrants issued are constituted under a Deed Poll executed by the Company.

The movement in Warrants B is as follows:

	Group and Company	
	2023 Unit	2022 Unit
At 1 January	154,466,286	158,682,251
Exercised	(29,308,000)	(4,215,965)
At 31 December	125,158,286	154,466,286

The salient features of the Warrants B are as follows:

- (i) Each warrant entitles the registered holder, at any time during the exercise period to subscribe for one (1) ordinary share at an exercise price of RM0.75 each, subject to adjustments in accordance with the provisions of the Deed Poll;
- (ii) The warrants may be exercisable at any time within a period of five (5) years commencing from and including the date of issuance of the warrants and ending at 5pm on the expiry date i.e. 2 August 2026. The expiry date is a day falling immediately before the 5th anniversary of the date of issuance of the warrant and if such date is not a market day, then on the preceding market day; and
- (iii) The warrant holders are not entitled to any voting rights or to participate in any form of distribution and/or offer of securities in the Company other than on winding-up, compromise or arrangement of the Company until and unless such warrant holders exercise their warrants into new ordinary shares of the Company.

### 24. TREASURY SHARES

This amount represents the acquisition cost of treasury shares.

The repurchase transactions were financed by internally generated funds. The shares repurchased are being held as treasury shares in accordance with Section 127(4)(b) of the Companies Act 2016 in Malaysia.

As at 31 December 2023, the Company held a total of 10,399,999 (2022: 10,399,999) treasury shares out of its 742,130,937 (2022: 712,822,937) issued ordinary shares. The treasury shares are held at a carrying amount of RM7,943,806 (2022: RM7,943,806).

Treasury shares have no rights to voting, dividends and participation in other distribution.

## NOTES TO THE FINANCIAL STATEMENTS

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### 25. PROPERTY REVALUATION RESERVE

The revaluation reserve represents increases in fair value of property, plant and equipment, net of tax and is non-distributable by way of dividend payment.

	Company	
	2023 RM	2022 RM
At 1 January		
Revaluation surplus	35,891,680	33,964,529
Transfer upon disposal of vacant land	-	1,927,151
At 31 December	<u>(2,205,890)</u>	-
	<u>33,685,790</u>	<u>35,891,680</u>

### 26. BORROWINGS

		Group		Company	
	Note	2023 RM	2022 RM	2023 RM	2022 RM
<b>Secured:</b>					
Lease liabilities	(a)	1,923,321	1,895,118	-	-
Sukuk Murabahah ("Sukuk")	(b)	473,000,000	259,000,000	473,000,000	259,000,000
Revolving credit	(c)	37,000,000	40,000,000	37,000,000	40,000,000
Term loans	(d)	27,058,700	35,075,519	27,058,700	35,075,519
		<u>538,982,021</u>	<u>335,970,637</u>	<u>537,058,700</u>	<u>334,075,519</u>
Analysed as:					
Current liabilities					
- within one year		57,296,383	48,675,573	56,523,223	48,021,675
Non-current liabilities					
- one to two years		75,785,173	57,079,500	75,022,971	56,521,791
- two to five years		161,765,531	140,226,744	161,512,506	139,543,233
- more than five years		244,134,934	89,988,820	244,000,000	89,988,820
		<u>481,685,638</u>	<u>287,295,064</u>	<u>480,535,477</u>	<u>286,053,844</u>
		<u>538,982,021</u>	<u>335,970,637</u>	<u>537,058,700</u>	<u>334,075,519</u>

At the end of the reporting period, the effective profit/interest rates per annum of the borrowings are as follows:

	Group		Company	
	2023 %	2022 %	2023 %	2022 %
Lease liabilities	3.12 - 7.34	3.12 - 7.34	-	-
Sukuk	5.22	4.83	5.22	4.83
Revolving credit	5.20 - 5.74	4.78 - 5.08	5.20 - 5.74	4.78 - 5.08
Term loans	<u>5.20 - 5.62</u>	<u>4.81 - 5.20</u>	<u>5.20 - 5.62</u>	<u>4.81 - 5.20</u>



## NOTES TO THE FINANCIAL STATEMENTS

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### 26. BORROWINGS (Cont'd)

#### (a) Lease liabilities

	2023 RM	Group 2022 RM
<b>Minimum lease payments:</b>		
Repayable within one year	878,544	767,839
Repayable between one and two years	815,900	629,640
Repayable between two and five years	296,254	715,246
Repayable between more than five years	145,476	-
	<b>2,136,174</b>	<b>2,112,725</b>
Less: Future finance charges	<b>(212,853)</b>	<b>(217,607)</b>
Present value of lease liabilities	<b>1,923,321</b>	<b>1,895,118</b>
<b>Present value of lease liabilities:</b>		
Repayable within one year (current)	773,160	653,898
Repayable between one and two years	762,202	557,709
Repayable between two and five years	253,025	683,511
Repayable more than five years	134,934	-
Repayable after one year (non-current)	<b>1,150,161</b>	<b>1,241,220</b>
	<b>1,923,321</b>	<b>1,895,118</b>

#### (b) Sukuk

In the financial year ended 31 December 2019, the Company established a Sukuk Murabahah Programme ("Sukuk") with a total nominal value up to RM500 million, which is structured based on the Shariah Principle of Murabahah (via a Tawarruq arrangement) and has a tenure of fifteen (15) years from the date of the first issuance of the Sukuk. In the same financial year, the Company had issued the first tranche unrated Sukuk in nominal value totalling RM300 million.

On 20 August 2021, the Company had issued the second tranche unrated Sukuk in nominal value totalling RM100 million.

On 31 March 2023, the Company had issued the third tranche unrated Sukuk in nominal value totalling RM250 million.

The Sukuk is secured by the following:

- (i) First legal charge over certain properties of the Group (Notes 11 and 12);
- (ii) Charge over the shares of TCBS;
- (iii) All monies debenture over present and future assets and properties of TCBS;
- (iv) Pledge of the Company's fixed deposits (Note 22);
- (v) Assignment over the first 50% proceeds received upon exercise of the remaining warrants to be utilised towards the repayment of the Sukuk;
- (vi) Assignment over the present and future rental proceeds from the customers of IPTT; and
- (vii) Assignment over the rights, titles, interests and benefits in and under the insurance policies taken up in relation to the pledged assets (Notes 11 and 12).

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 26. BORROWINGS (Cont'd)

#### (c) Revolving credit

In the financial year ended 31 December 2022, the Company has obtained revolving credit facilities of RM40,000,000.

The revolving credit is secured by the following:

- (i) First legal charge over certain properties of the Group (Notes 11 and 12); and
- (ii) Assignment over the rights, titles, interests and benefits in and under the insurance policies taken up in relation to the pledged assets (Notes 11 and 12).

#### (d) Term loans

In the financial year ended 31 December 2022, the Company has obtained term loans facilities of RM40,000,000 and has a tenure of five (5) years.

The term loans are secured by the following:

- (i) First legal charge over certain properties of the Group (Notes 11 and 12); and
- (ii) Assignment over the rights, titles, interests and benefits in and under the insurance policies taken up in relation to the pledged assets (Notes 11 and 12).

### 27. DEFERRED CAPITAL GRANTS

	2023 RM	Group 2022 RM
At 1 January	15,670,898	16,037,320
Less: Amortised for the financial year	<u>(363,151)</u>	<u>(366,422)</u>
At 31 December	<u>15,307,747</u>	<u>15,670,898</u>
Analysed as:		
Deferred capital grants	15,307,747	15,670,898
Less: Amount due within one year (shown under current liabilities)	<u>(363,151)</u>	<u>(363,151)</u>
Non-current portion	<u>14,944,596</u>	<u>15,307,747</u>

Deferred capital grants are in respect of government grants provided to the Group for the construction of both the IPTT at TMR and KPS. The grants are recognised in profit or loss on a systematic basis over the useful life of the IPTT, which is 50 years.

### 28. DEFERRED TAX LIABILITIES

	Note	2023 RM	Group 2022 RM
At 1 January		25,531,097	10,265,699
Revaluation surplus		-	608,574
Reversal upon disposal of vacant land	9	<u>(649,885)</u>	-
Recognised in profit or loss	9	<u>8,863,130</u>	<u>14,656,824</u>
At 31 December		<u>33,744,342</u>	<u>25,531,097</u>



## NOTES TO THE FINANCIAL STATEMENTS

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### 28. DEFERRED TAX LIABILITIES (Cont'd)

The recognised deferred tax liabilities/(assets) before offsetting are as follows:

	Unutilised investment allowance RM	Property, plant and equipment RM	Revaluation surplus of properties RM	Total RM
<b>Group</b>				
<b>2023</b>				
At 1 January	(21,226,700)	33,040,505	13,717,292	25,531,097
Reversal upon disposal of vacant land	-	-	(649,885)	(649,885)
Recognised in profit or loss	9,267,369	(153,849)	(250,390)	8,863,130
At 31 December	<u>(11,959,331)</u>	<u>32,886,656</u>	<u>12,817,017</u>	<u>33,744,342</u>
<b>2022</b>				
At 1 January	(36,691,505)	33,599,854	13,357,350	10,265,699
Revaluation surplus	-	-	608,574	608,574
Recognised in profit or loss	15,464,805	(559,349)	(248,632)	14,656,824
At 31 December	<u>(21,226,700)</u>	<u>33,040,505</u>	<u>13,717,292</u>	<u>25,531,097</u>

Deferred tax assets and liabilities are offset above where there is legally enforceable right to set off current tax assets against current tax liabilities and where the deferred taxes relate to the same taxation authority.

The Group has recognised the deferred tax assets based on the current level of operations of a subsidiary and the probability that sufficient taxable profit will be generated in the future against which the deferred tax assets can be utilised.

### 29. TRADE AND OTHER PAYABLES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Trade payables	1,625,974	1,277,892	-	-
Other payables	10,676,616	10,262,082	60,690	101,727
	<u>12,302,590</u>	<u>11,539,974</u>	<u>60,690</u>	<u>101,727</u>

Trade payables of the Group comprised amount outstanding for trade purchases. The terms granted to the Group for trade purchases are either on cash term or credit terms which ranged from 4 to 90 days (2022: 4 to 90 days). These amounts are non-interest bearing. The Group and the Company have financial risk management policies to ensure that all payables are paid within the pre-agreed credit terms.

The other payables of the Group comprised mainly the capital work-in-progress costs, service tax payables and balance payment to the vendor of land acquired.

The other payables are unsecured and non-interest bearing.

## NOTES TO THE FINANCIAL STATEMENTS

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### 30. OTHER LIABILITIES

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Refundable deposits	8,606,007	8,562,194	-	-
Share application monies	-	417,000	-	417,000
Dividend payables				
- owners of the Company	5,487,982	5,268,172	5,487,982	5,268,172
- non-controlling interests	1,125	2,252	-	-
Accruals	1,478,326	1,188,188	325,897	321,985
	<u>15,573,440</u>	<u>15,437,806</u>	<u>5,813,879</u>	<u>6,007,157</u>

Deposits received of the Group comprise mainly refundable deposits received from certain trade receivables of the Group as security deposits for trade transactions.

Included in the accruals is accrued borrowings interest amounted to RM157,539 (2022: RM156,735).

### 31. DIVIDENDS

	Per ordinary share Sen	Total amount RM	Date of payment
<b>2023</b>			
In respect of financial year ended 31 December 2023:			
- First interim single tier dividend	0.75	5,477,087	19 May 2023
- Second interim single tier dividend	0.75	5,472,632	21 August 2023
- Third interim single tier dividend	0.75	5,487,894	15 November 2023
- Fourth interim single tier dividend	0.75	5,487,982	14 February 2024
		<u>21,925,595</u>	
<b>2022</b>			
In respect of financial year ended 31 December 2022:			
- First interim single tier dividend	0.80	5,077,844	20 May 2022
- Second interim single tier dividend	0.75	5,243,237	22 August 2022
- Third interim single tier dividend	0.75	5,243,278	15 November 2022
- Fourth interim single tier dividend	0.75	5,268,172	22 February 2023
		<u>20,832,531</u>	

On 22 February 2024, the Company has declared a first interim single tier dividend of 0.75 sen per ordinary share amounting to RM5,487,982 in respect of financial year ending 31 December 2024, based on the number of outstanding ordinary shares in issue (net of treasury shares) as at 31 December 2023 and payable on 21 May 2024.

The financial statements for the current financial year do not reflect this proposed dividend as it was declared subsequent to the financial year end. Such dividend will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 December 2024.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 32. RELATED PARTIES DISCLOSURES

#### (a) Identity of related parties

For the purpose of these financial statements, parties are considered to be related to the Group and the Company if the Group and the Company have the ability to directly control the parties or exercise significant influence over the parties in making financial and operating decision, or vice versa, or where the Group and the Company and the parties are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Group and the Company have related party relationships with their subsidiaries, a related party and key management personnel. The related party refers to a company in which a Director of the Company has substantial financial interests. The subsidiaries balances are shown in Note 15. The related party transactions of the Group and of the Company are shown below.

#### (b) Related party transactions

In addition to the transactions detailed elsewhere in the financial statements, the Group and Company have the following related party transactions during the financial year:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>With subsidiaries:</b>				
Dividends income	-	-	22,172,333	26,527,800
Back-to-back interest income	-	-	21,579,626	11,359,164
Interest expense	-	-	(19,598)	-
Interest income	-	-	10,733,764	7,779,021
<b>With a related party:</b>				
Acquisition of subsidiary	320,000	-	320,000	-

#### (c) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly. The key management personnel include all the Directors of the Company and its subsidiaries, and certain members of senior management of the Group and of the Company.

The remuneration of the Directors of the Group and of the Company (excluding Directors of subsidiaries) are disclosed in Note 7.

The remuneration of other members of key management personnel of the Group and of the Company, including Directors of subsidiaries during the financial year are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
Salaries, allowances and bonuses	486,676	419,952	-	-
Fees	90,000	84,000	-	-
EPF	52,135	43,996	-	-

## NOTES TO THE FINANCIAL STATEMENTS

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<b>33. CAPITAL COMMITMENTS</b>	<b>628,811</b>	<b>547,948</b>	<b>-</b>	<b>-</b>
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As at the end of the reporting period, the Group has the following commitments:

	Group	
	2023 RM	2022 RM
Property, plant and equipment	<b>80,727,315</b>	42,662,631
Investment properties	-	8,463,000
	<b>80,727,315</b>	<b>51,125,631</b>

### 34. SEGMENT INFORMATION

#### (a) Reporting format

Segment information is presented in respect of the Group's business segments. Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

For management purposes, the Group is organised into the following six (6) operating segments:

- |   |  |
|---|--|
| (i) Operation of IPTT                                 | - Operator of IPTT.  |
| (ii) Operation of public transportation               | - Operator of public transportation.   |
| (iii) Operation of petrol station                     | - Operator of petrol station.  |
| (iv) Operation of mining management                   | - Project management services in mining operations (ceased operations since December 2022).  |
| (v) Operation of telecommunication tower construction | - Telecommunication tower construction operations.   |
| (vi) Others   | - Investment holding or having principal activities unrelated to operators of IPTT, public transportation, petrol station, project management services in mining operations and telecommunication tower construction operations. |

#### Segment revenue and results

Segment results represent profit or loss before finance costs and tax of the segment. Inter-segment transactions are entered in the ordinary course of business based on terms mutually agreed upon by the parties concerned.

#### Segment assets

Segment assets are measured based on all assets of the segment, excluding deferred tax assets and tax recoverable.

#### Segment liabilities

Segment liabilities are measured based on all liabilities of the segment, excluding deferred tax liabilities and tax payable.

#### (b) Allocation basis and transfers

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, liabilities and expenses.

Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated on consolidation.



## NOTES TO THE FINANCIAL STATEMENTS

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### 34. SEGMENT INFORMATION (Cont'd)

#### (c) Geographical information

No geographical segment information is presented as the Group's activities and customers are all based in Malaysia.

#### (d) Major customer information

Revenue from external customers contributing more than 10% of the total revenue are as follows:

	2023 RM	Group 2022 RM
Customer A - Operation of IPTT	32,300,000	30,200,000
Customer B - Operation of IPTT	24,995,834	22,377,215
Customer C - Operation of IPTT	22,377,215	26,282,029
	<u>79,673,049</u>	<u>78,859,244</u>

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### 34. SEGMENT INFORMATION (Cont'd)

2023	Operation of							Total RM	Elimination RM	Consolidated RM
	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	telecommunication tower construction RM	Others RM	Total RM				
<b>Revenue</b>										
External revenue	110,905,805	25,787,478	33,850,201	2,621,818	-	-	173,165,302	-	173,165,302	
Inter-segment revenue	-	8,611,308	624,404	-	22,172,333	(31,408,045)	31,408,045	(31,408,045)	-	
Total revenue	<u>110,905,805</u>	<u>34,398,786</u>	<u>34,474,605</u>	<u>2,621,818</u>	<u>22,172,333</u>	<u>(31,408,045)</u>	<u>204,573,347</u>	<u>(31,408,045)</u>	<u>173,165,302</u>	
<b>Results</b>										
Segment result	91,750,348	2,650,547	1,818,847	614,160	17,068,224	(22,172,333)	113,902,126	(22,172,333)	91,729,793	
Investment revenue	117,061	16,600	-	-	482,798	-	616,459	-	616,459	
Interest income	216,855	35,927	22,112	-	12,967,597	(10,961,125)	13,242,491	(10,961,125)	2,281,366	
Finance costs	(19,534,635)	(127,399)	(515,562)	(10,644)	(4,173,666)	10,961,125	(24,361,906)	10,961,125	(13,400,781)	
<b>Profit before tax</b>	<u>72,549,629</u>	<u>2,575,675</u>	<u>1,325,397</u>	<u>603,516</u>	<u>26,344,953</u>	<u>(22,172,333)</u>	<u>103,399,170</u>	<u>(22,172,333)</u>	<u>81,226,837</u>	
Tax expense									(16,116,884)	
<b>Profit for the financial year</b>									<u>65,109,953</u>	
<b>Other information</b>										
Capital expenditure:										
Property, plant and equipment	248,990,187	3,856	27,737	3,470	-	-	249,025,250	-	249,025,250	
Investment properties	8,038,339	-	-	-	-	-	8,038,339	-	8,038,339	
Depreciation of property, plant and equipment and investment properties	15,370,057	5,350,594	933,433	204	132,722	-	21,787,010	-	21,787,010	
Amortisation of deferred capital grants	363,151	-	-	-	-	-	363,151	-	363,151	
<b>Assets and liabilities</b>										
Segment assets	1,133,613,271	29,039,594	22,531,185	1,541,618	904,090,894	(826,184,980)	2,090,816,562	(826,184,980)	1,264,631,582	
Current and deferred tax assets									1,117,641	
Total assets									<u>1,265,749,223</u>	
Segment liabilities	41,986,203	4,668,044	3,209,799	449,001	1,152,671,564	(620,818,813)	1,202,984,611	(620,818,813)	582,165,798	
Current and deferred tax liabilities									34,516,674	
Total liabilities									<u>616,682,472</u>	



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34. SEGMENT INFORMATION (Cont'd)

	Operation of IPTT	Operation of public transportation	Operation of petrol station	Operation of mining management	Operation of telecommunication tower construction	Others	Total	Elimination	Consolidated
	RM	RM	RM	RM	RM	RM	RM	RM	RM
<b>2022</b>									
<b>Revenue</b>									
External revenue	109,880,877	25,319,265	35,474,223	47,304	201,273	-	170,922,942	-	170,922,942
Inter-segment revenue	-	570,000	652,558	-	-	26,527,800	27,750,358	(27,750,358)	-
Total revenue	<u>109,880,877</u>	<u>25,889,265</u>	<u>36,126,781</u>	<u>47,304</u>	<u>201,273</u>	<u>26,527,800</u>	<u>198,673,300</u>	<u>(27,750,358)</u>	<u>170,922,942</u>
<b>Results</b>									
Segment result	91,784,896	3,918,984	995,764	136,411	25,031	23,390,774	120,251,860	(26,527,800)	93,724,060
Investment revenue	6,532	15,523	-	-	-	266,515	288,570	-	288,570
Interest income	113,193	30,817	1,436	-	-	8,184,647	8,330,093	(7,909,028)	421,065
Finance costs	(15,537,799)	(189,974)	(437,825)	(2,644)	(1,752)	(2,520,364)	(18,690,358)	7,909,028	(10,781,330)
<b>Profit before tax</b>	<u>76,366,822</u>	<u>3,775,350</u>	<u>559,375</u>	<u>133,767</u>	<u>23,279</u>	<u>29,321,572</u>	<u>110,180,165</u>	<u>(26,527,800)</u>	<u>83,652,365</u>
Tax expense									(23,635,525)
<b>Profit for the financial year</b>									<u>60,016,840</u>
<b>Other information</b>									
Capital expenditure:									
Property, plant and equipment	185,939,120	1,339	4,077,000	-	-	-	190,017,459	-	190,017,459
Investment properties	7,945,997	-	-	-	-	-	7,945,997	-	7,945,997
Depreciation of property, plant and equipment and investment properties	15,236,703	5,487,739	859,916	-	-	132,721	21,717,079	-	21,717,079
Amortisation of deferred capital grants	366,422	-	-	-	-	-	366,422	-	366,422
<b>Assets and liabilities</b>									
Segment assets	892,330,101	33,873,711	30,534,223	136,833	198,832	225,083,092	1,182,156,792	(191,606,709)	990,550,083
Current and deferred tax assets									43,546
Total assets									<u>990,593,629</u>
Segment liabilities	41,508,928	4,979,276	7,817,565	229,383	91,751	340,184,403	394,811,306	(16,191,991)	378,619,315
Current and deferred tax liabilities									28,064,541
Total liabilities									<u>406,683,856</u>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 35. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Financial assets</b>				
<u>Amortised cost</u>				
Other investments	5,007,671	-	-	-
Trade and other receivables	27,867,125	25,386,578	-	-
Other assets	1,198,931	1,056,168	4,195,375	6,846,248
Amount due from subsidiaries	-	-	611,709,684	459,022,194
Fixed deposits with licensed banks	22,594,353	16,488,363	21,454,306	15,372,936
Cash and bank balances	64,930,457	32,507,443	53,600,055	10,392,586
	<u>121,598,537</u>	<u>75,438,552</u>	<u>690,959,420</u>	<u>491,633,964</u>
<b>Financial liabilities</b>				
<u>Amortised cost</u>				
Trade and other payables	12,302,590	11,539,974	60,690	101,727
Other liabilities	15,573,440	15,020,806	5,813,879	5,590,157
Amount due to subsidiaries	-	-	3,309,598	-
Borrowings	538,982,021	335,970,637	537,058,700	334,075,519
	<u>566,858,051</u>	<u>362,531,417</u>	<u>546,242,867</u>	<u>339,767,403</u>

#### Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risk, interest rate risk and liquidity risk.

The Group's and the Company's financial risk management policy is to ensure that adequate financial resources are available for the development of the Group's and of the Company's operations whilst managing these financial risks. The Group and the Company operate within clearly defined guidelines that are approved by the Board and the Group's and the Company's policy is not to engage in speculative transactions.

The following sections provide details regarding the Group's and the Company's exposure to the abovementioned financial risks and the objectives, policies and processes for the management of these risks.

#### (i) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from the individual characteristics of each customer. The Company's exposure to credit risk arises principally from loans and advances to subsidiaries. There are no significant changes as compared to prior periods.

#### Trade receivables and contract assets

#### *Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk is minimised and monitored via strictly limiting the Group's associations to business partners with good credit rating.

At the end of each reporting period, the Group assesses whether any of the trade receivables and contract assets are credit impaired.



## NOTES TO THE FINANCIAL STATEMENTS

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There are no significant changes as compared to the previous financial year.

### 35. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives and policies (Cont'd)

##### (i) Credit risk (Cont'd)

#### Trade receivables and contract assets (Cont'd)

#### *Risk management objectives, policies and processes for managing the risk* (Cont'd)

##### Credit risk concentration profile

As at 31 December 2023, the Group has significant concentration of credit risk arising from the amounts owing from 3 customers (2022: 3 customers) constituting 97% (2022: 96%) of trade receivables of the Group.

The contract assets are related to government support fund for stage bus services and telecommunication tower construction work completed but yet to bill.

##### Exposure to credit risk

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets is represented by the carrying amounts in the statements of financial position and notes to the financial statements.

In managing the exposure to credit risk, the Group holds security deposits from certain major customers as collateral, totalling RM8,062,125 (2022: RM8,068,625), which is 29% (2022: 32%) of the total receivable balance. The remaining balance of trade receivables are not secured by any collateral or supported by any other credit enhancement.

##### Recognition and measurement of impairment loss

The Group has applied the simplified approach in MFRS 9 to measure the loss allowance at lifetime ECLs. The Group determines the ECLs on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. The Group will commence evaluation on whether the debts are credit impaired when the invoices are past due more than 90 days.

The Group will initiate appropriate debt recovery procedures on past due balances which are monitored by the management team. Where necessary, the Group will also commence legal proceeding against the customers.

Loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency.

Loss rates are based on actual credit loss experienced over the prior years. The Group also consider differences between (a) economic conditions during the period over which the historic data has been collected, (b) current conditions and (c) the Group's view of economic conditions over the expected lives of the receivables. Nevertheless, the Group believe that these factors are negligible for the purpose of impairment calculation for the year.

## NOTES TO THE FINANCIAL STATEMENTS

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### 35. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives and policies (Cont'd)

##### (i) Credit risk (Cont'd)

#### Trade receivables and contract assets

#### *Risk management objectives, policies and processes for managing the risk (Cont'd)*

#### Recognition and measurement of impairment loss (Cont'd)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at the end of the reporting period which are grouped together as they are expected to have similar risk nature.

	Contract assets RM	Trade receivables		Net RM
		Gross RM	Loss allowances RM	
<b>Group</b>				
<b>2023</b>				
Neither past due nor impaired	2,657,900	27,546,765	(82,405)	27,464,360
Past due but not impaired:				
Less than 30 days	-	91,535	(1,161)	90,374
31 to 60 days	-	34,143	(1,580)	32,563
61 to 90 days	-	29,112	(1,644)	27,468
More than 90 days	-	300,694	(224,440)	76,254
	-	455,484	(228,825)	226,659
	<u>2,657,900</u>	<u>28,001,249</u>	<u>(311,230)</u>	<u>27,690,019</u>
<b>2022</b>				
Neither past due nor impaired	3,126,535	23,956,999	(19,053)	23,937,946
Past due but not impaired:				
Less than 30 days	-	1,052,435	(14,097)	1,038,338
31 to 60 days	-	20,169	(16,302)	3,867
61 to 90 days	-	22,940	(22,940)	-
More than 90 days	-	463,718	(238,838)	224,880
	-	1,559,262	(292,177)	1,267,085
	<u>3,126,535</u>	<u>25,516,261</u>	<u>(311,230)</u>	<u>25,205,031</u>

#### Cash and cash equivalents and other investments

The cash and cash equivalents and other investments are held with licensed banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. These licensed banks have low credit risks. Hence, a loss allowance is not necessary.

#### Other receivables and deposits

Other receivables and deposits are neither past due nor impaired. The Group believes that generally no allowance for impairment is necessary in respect of other receivables and deposits that are neither past due nor impaired as these receivables and deposits are mainly arising from debtors that have good records of payment in the past.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 35. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives and policies (Cont'd)

##### (i) Credit risk (Cont'd)

###### Intercompany loans and advances

###### ***Risk management objectives, policies and processes for managing the risk***

The Company provides unsecured loans and advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the loans and advances on an individual basis.

###### Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the Company's statement of financial position. Loans and advances provided are not secured by any collateral or supported by any other credit enhancements.

###### Recognition and measurement of impairment loss

Generally, the Company considers the loans and advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' loans and advances when they are payable, the Company considers the loans and advances to be in default when the subsidiaries are not able to pay when demanded.

The Company determines the probability of default for these loans and advances individually using internal information available.

As at the end of the reporting period, there were no indications of impairment in respect of these loans and advances.

##### (ii) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in meeting financial obligations associated with financial liabilities. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by credit facilities.

The Group's and the Company's liquidity risk management policy is to manage their debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. In addition, the Group and the Company maintain sufficient levels of cash and available banking facilities at a reasonable level to its overall debt position to meet their working capital requirement.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 35. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives and policies (Cont'd)

##### (ii) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of each reporting period based on contractual undiscounted repayment obligations.

Group	Carrying amount RM	Contractual cash flows RM	Contractual cash flows			
			On demand/ Within 1 year RM	Between 1 and 2 years RM	Between 2 and 5 years RM	More than 5 years RM
<b>2023</b>						
<b>Non-derivative financial liabilities</b>						
Trade and other payables	12,302,590	12,302,590	12,302,590	-	-	-
Other liabilities	15,573,440	15,573,440	15,573,440	-	-	-
Lease liabilities	1,923,321	2,136,174	878,544	815,900	296,254	145,476
Sukuk	473,000,000	564,801,139	67,995,288	83,708,133	173,159,852	239,937,866
Revolving credit	37,000,000	44,000,832	5,804,902	5,586,126	10,515,924	22,093,880
Term loans	27,058,700	29,514,725	9,264,652	8,831,787	11,418,286	-
	<b>566,858,051</b>	<b>668,328,900</b>	<b>111,819,416</b>	<b>98,941,946</b>	<b>195,390,316</b>	<b>262,177,222</b>
<b>2022</b>						
<b>Non-derivative financial liabilities</b>						
Trade and other payables	11,539,974	11,539,974	11,539,974	-	-	-
Other liabilities	15,020,806	15,020,806	15,020,806	-	-	-
Lease liabilities	1,895,118	2,112,725	767,839	629,640	715,246	-
Sukuk	259,000,000	295,053,000	47,629,581	54,184,004	126,615,996	66,623,419
Revolving credit	40,000,000	46,923,420	5,780,308	5,582,496	10,571,556	24,989,060
Term loans	35,075,519	38,885,107	9,565,563	9,167,019	17,136,633	3,015,892
	<b>362,531,417</b>	<b>409,535,032</b>	<b>90,304,071</b>	<b>69,563,159</b>	<b>155,039,431</b>	<b>94,628,371</b>



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 35. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives and policies (Cont'd)

##### (ii) Liquidity risk (Cont'd)

Analysis of financial instruments by remaining contractual maturities (Cont'd)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities at the end of each reporting period based on contractual undiscounted repayment obligations. (Cont'd)

Company	Carrying amount RM	Contractual cash flows RM	Contractual cash flows			
			On demand/ Within 1 year RM	Between 1 and 2 years RM	Between 2 and 5 years RM	More than 5 years RM
<b>2023</b>						
<b>Non-derivative financial liabilities</b>						
Other payables	60,690	60,690	60,690	-	-	-
Other liabilities	5,813,879	5,813,879	5,813,879	-	-	-
Amount due to subsidiaries	3,309,598	3,309,598	3,309,598	-	-	-
Sukuk	473,000,000	564,801,139	67,995,288	83,708,133	173,159,852	239,937,866
Revolving credit	37,000,000	44,000,832	5,804,902	5,586,126	10,515,924	22,093,880
Term loans	27,058,700	29,514,725	9,264,652	8,831,787	11,418,286	-
	<b>546,242,867</b>	<b>647,500,863</b>	<b>92,249,009</b>	<b>98,126,046</b>	<b>195,094,062</b>	<b>262,031,746</b>
<b>2022</b>						
<b>Non-derivative financial liabilities</b>						
Other payables	101,727	101,727	101,727	-	-	-
Other liabilities	5,590,157	5,590,157	5,590,157	-	-	-
Sukuk	259,000,000	295,053,000	47,629,581	54,184,004	126,615,996	66,623,419
Revolving credit	40,000,000	46,923,420	5,780,308	5,582,496	10,571,556	24,989,060
Term loans	35,075,519	38,885,107	9,565,563	9,167,019	17,136,633	3,015,892
	<b>339,767,403</b>	<b>386,553,411</b>	<b>68,667,336</b>	<b>68,933,519</b>	<b>154,324,185</b>	<b>94,628,371</b>

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 35. FINANCIAL INSTRUMENTS (Cont'd)

#### Financial risk management objectives and policies (Cont'd)

##### (iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises mainly from interest-bearing financial assets and liabilities.

#### Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period are as follows:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Fixed rate instrument:</b>				
Financial assets	90,138,588	44,129,773	75,042,478	24,020,503
Financial liabilities	(1,923,321)	(1,895,118)	-	-
	<u>88,215,267</u>	<u>42,234,655</u>	<u>75,042,478</u>	<u>24,020,503</u>
<b>Floating rate instrument:</b>				
Financial assets	-	-	611,709,684	459,022,194
Financial liabilities	(537,058,700)	(334,075,519)	(540,368,298)	(334,075,519)
	<u>(537,058,700)</u>	<u>(334,075,519)</u>	<u>71,341,386</u>	<u>124,946,675</u>

#### Interest rate risk sensitivity analysis

##### Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

##### Cash flow sensitivity analysis for variable rate instruments

The following table details the sensitivity analysis on the floating rate instruments to a reasonably possible change in the interest rates as of the end of the reporting period, with all other variables held constant:

	Group		Company	
	2023 RM	2022 RM	2023 RM	2022 RM
<b>Effects on profit after tax/equity</b>				
Increase by 25 (2022: 25) basis points	(1,020,411)	(634,743)	135,549	237,399
Decrease by 25 (2022: 25) basis points	<u>1,020,411</u>	<u>634,743</u>	<u>(135,549)</u>	<u>(237,399)</u>



## NOTES TO THE FINANCIAL STATEMENTS

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### 36. FAIR VALUE INFORMATION

#### Financial instruments other than those carried at fair value

*Financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value*

The carrying amounts of the short-term receivables and payables, cash and cash equivalents and short-term borrowings approximate their fair value due to the relatively short-term nature of these financial instruments and insignificant impact of discounting.

The carrying amount of the long-term floating rate loans approximates their fair value as the loans will be re-priced to market interest rate on or near the end of the reporting period.

The carrying amount of the non-current portion of lease liabilities are reasonable approximation of fair values due to the insignificant impact of discounting.

### 37. CAPITAL MANAGEMENT

The Group's and the Company's objectives when managing capital are to maintain a strong capital base and safeguard the Group's and the Company's ability to continue as a going concern. The Group and the Company monitor and maintain optimal debt-to-equity ratio, gearing ratio and financial service coverage ratio ("FSCR") that complies with debt covenants and regulatory requirements.

(a) The net debt-to-equity and consolidated gearing ratios at end of the reporting period are as follows:

		Group		Company	
		2023 RM	2022 RM	2023 RM	2022 RM
Borrowings	A	<b>538,982,021</b>	335,970,637	<b>537,058,700</b>	334,075,519
Less:					
Fixed deposits		<b>(22,594,353)</b>	(16,488,363)	<b>(21,454,306)</b>	(15,372,936)
Cash and bank balances		<b>(64,930,457)</b>	(32,507,443)	<b>(53,600,055)</b>	(10,392,586)
Net debts	B	<b>451,457,211</b>	286,974,831	<b>462,004,339</b>	308,309,997
Total equity	C	<b>649,066,751</b>	583,909,773	<b>351,126,627</b>	327,205,258
Debts-to-equity ratio	B/C	<b>70%</b>	49%	<b>132%</b>	94%
Consolidated gearing ratio	A/C	<b>0.83 times</b>	0.58 times	<b>NA</b>	NA

The consolidated gearing ratio is a covenant imposed by licensed banks and shall not at any time exceed 1.50 times.

(b) The FSCR is a covenant imposed by licensed banks and shall not at any time be less than 1.25 times.

		Group	
		2023 RM	2022 RM
Earnings before interest, tax, depreciation and amortisation		<b>116,753,517</b>	116,313,720
Opening cash and cash equivalents		<b>32,861,531</b>	67,160,007
	A	<b>149,615,048</b>	183,473,727
Total financial service	B	<b>72,750,307</b>	51,803,886
FSCR (A/B)		<b>2.06 times</b>	3.54 times

There were no changes in the Group's approach to capital management during the financial year as compared to the previous financial year.

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

The Group and the Company are in compliance with all externally imposed capital requirements.

### 38. SIGNIFICANT EVENTS

#### (i) Collaboration Agreement with NSS IT Solution Sdn. Bhd. (“NSS IT Solution”)

On 23 February 2021, the Group, has via TUSB entered into a Collaboration Agreement with NSS IT Solution to collaborate and cooperate in the concession granted by Majlis Bandaraya Alor Setar to NSS IT Solution for managing a bus terminal known as Terminal Bas Shahab Perdana (“TBSP”) located in Alor Setar, Kedah Darul Aman. The Collaboration Agreement shall be effective for a total period of 15 years, commencing from 1 April 2022 or upon the completion of the renovation works in TBSP, whichever is earlier, with the initial collaboration period of 3 years, renewable at each of the consecutive 3 years (“Term”) for a total 5 Terms, subject to the mutual agreement by both parties.

The total investment cost for the concession amounted to RM9,000,000 of which the Group and NSS IT Solution shall each bear RM6,500,000 and RM2,500,000 respectively. Pursuant to the Collaboration Agreement, the Group is required to construct and complete the renovation work of the commercial area in TBSP and responsible to maintain and manage the commercial area. In return, TUSB is entitled to all the income generated from the commercial area. In contrast, NSS IT Solution is required to renovate, maintain and manage the terminal area of TBSP and is entitled to receive all income generated from operating the terminal area.

In addition, TUSB shall pay a monthly management fee of RM20,000 to NSS IT Solution and is subject to an increment of 7% for every Term completed.

As at the date of this report, the new project has yet to commence pending the completion of renovation at TBSP.

#### (ii) Supply Agreement for renewable energy between Tenaga Nasional Berhad, GSPARX Sdn. Bhd. and the subsidiaries

The Group has via The Combined Bus Services Sdn. Bhd., CKS Bumi Sdn. Bhd., CKS Labur Sdn. Bhd., Star Kensington Sdn. Bhd. (“subsidiaries”) have on 26 September 2022 separately entered into a supply agreement for renewable energy between Tenaga Nasional Berhad (“TNB”) and GSPARX Sdn. Bhd. to install solar photovoltaic (“Solar PV”) energy generating system.

Pursuant to the agreements, the subsidiaries shall purchase and accept the solar energy generated from the Solar PV systems, delivered and supplied to them at Terminal Meru Raya in Ipoh (The Combined Bus Services Sdn. Bhd.), Kampar Putra Sentral in Kampar (The Combined Bus Services Sdn. Bhd.), Shell Petrol Station in Tanjung Rambutan (Star Kensington Sdn. Bhd.), Shell Petrol Station in Lahat (CKS Labur Sdn. Bhd.) and Petron Petrol Station in Kuala Kangsar (CKS Bumi Sdn. Bhd.), by GSPARX Sdn. Bhd. The subsidiaries shall make payment in full based on the monthly billings issued by TNB in accordance with such net electrical output generated. The agreements are valid for a term of 20 years from the date of signing the agreements.

As at the date of this report, the installation of the Solar PV have been completed, pending the commissioning of the energy generating system.



## NOTES TO THE FINANCIAL STATEMENTS

31 December 2023

### 39. SUBSEQUENT EVENTS

#### Proposed Bonus Issue

On 5 January 2024, the Company announced to Bursa Malaysia Securities Berhad (“Bursa Securities”) to undertake a proposed bonus issue of up to 433,644,611 new ordinary shares in the Company (“Bonus Shares”) on the basis of 1 Bonus Share for every existing 2 ordinary shares in the Company held by the shareholders whose names appear in the record of depositors of the Company at the close of business day on an entitlement date to be determined and announced later (“Proposed Bonus Issue”).

On 11 January 2024, an additional listing application in respect of the Proposed Bonus Issue had been submitted to the Bursa Securities.

Following the announcements, Bursa Securities had vide its letter dated 23 January 2024, approved the listing and quotation for the following:

- (i) up to 433,644,611 Bonus Shares to be issued pursuant to the Proposed Bonus Issue;
- (ii) up to 62,579,143 additional Warrants B to be issued pursuant to the adjustment to the outstanding Warrants B arising from the Proposed Bonus Issue; and
- (iii) up to 62,579,143 additional new ordinary shares in the Company to be issued arising from the exercise of additional Warrants B.

During the extraordinary general meeting (“EGM”) held on 22 February 2024, the shareholders of the Company have approved the resolution in respect of the Proposed Bonus Issue. On 8 March 2024, the Company announced that the Proposed Bonus Issue has been completed, following the listing of and quotation for 371,078,520 Bonus Shares (inclusive of 5,199,999 Bonus Shares to be held as treasury shares) and 62,564,765 additional Warrants B on the Main Market of Bursa Securities.

## ANALYSIS OF SHAREHOLDINGS

As at 29 March 2024

Total number of issued shares	:	1,098,103,641 (Excluding 15,599,998 Treasury Shares)
Class of shares	:	Ordinary shares
Voting rights	:	One vote per ordinary share held

## DISTRIBUTION OF SHAREHOLDERS

Size of shareholdings	No. of shareholders	%	No. of shares	%
1 to 99	1,100	19.949	66,418	0.006
100 to 1,000	569	10.319	269,728	0.025
1,001 to 10,000	2,007	36.398	9,645,689	0.878
10,001 to 100,000	1,443	26.170	43,397,700	3.952
100,001 to 54,905,181*	394	7.146	989,605,858	90.120
54,905,182 and above**	1	0.018	55,118,248	5.019
	5,514	100.000	1,098,103,641	100.000

Notes:

\* Denotes less than 5% of the issued shares.

\*\* Denotes 5% and above of the issued shares.

## SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	No. of shares held			
	Direct	%	Indirect	%
1. Dato' Sri Cheong Kong Fitt	182,760,100 <sup>*1</sup>	16.643	142,623,497 <sup>*2</sup>	12.988
2. Dato' Ong Choo Meng	108,575,850 <sup>*1</sup>	9.888	-	-
3. CBS Link Sdn Bhd	86,410,249 <sup>*1</sup>	7.869	-	-
4. Tan Sri Dato' Tan Chee Sing	67,878,750 <sup>*1</sup>	6.181	-	-
5. Datin Sri Lim Sow Keng	55,118,248	5.019	270,265,349 <sup>*2</sup>	24.612

Notes:

\*1 Shares held through nominee companies.

\*2 Deemed interested through his/her spouse, son and his/her interest held in a corporation by virtue of Section 8 of the Companies Act 2016.

## DIRECTORS' SHAREHOLDINGS

Name of Directors	No. of shares held			
	Direct	%	Indirect	%
1. Dato' Sri Cheong Kong Fitt	182,760,100 <sup>*1</sup>	16.643	142,623,497 <sup>*2</sup>	12.988
2. Dato' Cheong Peak Sooi	15,035,397 <sup>*1</sup>	1.369	-	-
3. Dato' Haji Mohd Gazali Bin Jalal	129,399	0.012	-	-
4. Tan Sri Dato' Chang Ko Youn	-	-	-	-
5. Ng Wai Luen	-	-	-	-
6. Azian Binti Kassim	-	-	-	-
7. Zalinah Binti A Hamid	-	-	-	-

Notes:

\*1 Shares held through nominee companies.

\*2 Deemed interested through his spouse, son and his interest held in corporations by virtue of Section 8 of the Companies Act 2016.



## ANALYSIS OF SHAREHOLDINGS

As at 29 March 2024

### THIRTY LARGEST SHAREHOLDERS

		No. of shares held	%
1.	Datin Sri Lim Sow Keng	55,118,248	5.019
2.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	49,360,249	4.495
	• Pledged Securities Account for CBS Link Sdn Bhd		
3.	Alliancegroup Nominees (Tempatan) Sdn Bhd	38,005,500	3.461
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
4.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	37,068,526	3.376
	• Pledged Securities Account for Tiara Moden Sdn Bhd		
5.	AMSEC Nominees (Tempatan) Sdn Bhd	37,050,000	3.374
	• Pledged Securities Account for CBS Link Sdn Bhd		
6.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	36,904,696	3.361
	• Pledged Securities Account for Rezeki Megajaya Sdn Bhd		
7.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	34,953,750	3.183
	• Pledged Securities Account for Tan Sri Dato' Tan Chee Sing		
8.	Maybank Nominees (Tempatan) Sdn Bhd	33,904,050	3.088
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
9.	CIMSEC Nominees (Tempatan) Sdn Bhd	33,000,100	3.005
	• CIMB for Dato' Ong Choo Meng		
10.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd	30,235,050	2.753
	• Pledged Securities Account for Dato' Ong Choo Meng		
11.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd	22,636,500	2.061
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
12.	Affin Hwang Nominees (Tempatan) Sdn Bhd	21,058,500	1.918
	• Pledged Securities Account for Hiichiikok Equities Sdn Bhd		
13.	Kenanga Nominees (Tempatan) Sdn Bhd	20,578,351	1.874
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
14.	Affin Hwang Nominees (Tempatan) Sdn Bhd	18,750,000	1.707
	• Pledged Securities Account for Tan Sri Dato' Tan Chee Sing		
15.	HSBC Nominees (Asing) Sdn Bhd	18,688,500	1.702
	• Societe Generale Paris		
16.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	17,907,050	1.631
	• Pledged Securities Account for Dato' Ong Choo Meng		
17.	Phillip Nominees (Tempatan) Sdn Bhd	15,924,249	1.450
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
18.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd	15,600,000	1.421
	• Pledged Securities Account for Koh Kin Lip		
19.	HLB Nominees (Tempatan) Sdn Bhd	15,150,000	1.380
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
20.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd	15,000,000	1.366
	• Pledged Securities Account for Tan Kim Heung		
21.	CGS International Nominees Malaysia (Asing) Sdn Bhd	14,110,950	1.285
	• CGS International Securities Singapore Pte Ltd		
22.	Alliancegroup Nominees (Tempatan) Sdn Bhd	13,980,000	1.273
	• Pledged Securities Account for Koh Kin Lip		
23.	Alliancegroup Nominees (Tempatan) Sdn Bhd	11,467,500	1.044
	• Pledged Securities Account for Basic Index Sdn Bhd		
24.	HLB Nominees (Tempatan) Sdn Bhd	10,875,000	0.990
	• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
25.	CGS International Nominees Malaysia (Tempatan) Sdn Bhd	10,835,397	0.987
	• Pledged Securities Account for Dato' Cheong Peak Sooi		
26.	Affin Hwang Nominees (Tempatan) Sdn Bhd	10,650,000	0.970
	• Pledged Securities Account for Dato' Ong Choo Meng		
27.	MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd	9,749,250	0.888
	• Pledged Securities Account for Senandung Asas Sdn Bhd		
28.	AMSEC Nominees (Tempatan) Sdn Bhd	9,675,000	0.881
	• Pledged Securities Account for Tan Sri Dato' Tan Chee Sing		
29.	Alliancegroup Nominees (Tempatan) Sdn Bhd	9,300,000	0.847
	• Pledged Securities Account for Dato' Ong Choo Meng		
30.	HLB Nominees (Tempatan) Sdn Bhd	7,951,050	0.724
	• Pledged Securities Account for Ong Soon Ho		
		<b>675,487,466</b>	<b>61.514</b>

## ANALYSIS OF WARRANT HOLDINGS

As at 29 March 2024

Total number of warrants issued	:	221,247,016
Total number of unexercised warrants	:	187,228,869
Exercise price of warrants	:	RM0.50
Expiry date	:	2 August 2026

### DISTRIBUTION OF WARRANT HOLDERS

Size of holdings	No. of holders	%	No. of warrants	%
1 to 99	1,767	39.380	75,862	0.041
100 to 1,000	960	21.395	376,419	0.201
1,001 to 10,000	1,251	27.881	4,061,261	2.169
10,001 to 100,000	380	8.469	11,589,102	6.190
100,001 to 9,361,442*	125	2.786	110,341,715	58.934
9,361,443 and above**	4	0.089	60,784,510	32.465
	4,487	100.000	187,228,869	100.000

Notes:

\* Denotes less than 5% of the warrants issued.

\*\* Denotes 5% and above of the warrants issued.

### DIRECTORS' WARRANT HOLDINGS

Name of Directors	Direct	No. of warrants held		%
		%	Indirect	
1. Dato' Sri Cheong Kong Fitt	37,207,936 <sup>*1</sup>	19.873	35,382,123 <sup>*2</sup>	18.898
2. Dato' Cheong Peak Sooi	2,550,823 <sup>*3</sup>	1.362	-	-
3. Tan Sri Dato' Chang Ko Youn	-	-	-	-
4. Dato' Haji Mohd Gazali Bin Jalal	-	-	-	-
5. Ng Wai Luen	-	-	-	-
6. Azian Binti Kassim	-	-	-	-
7. Zalinah Binti A Hamid	-	-	-	-

Notes:

\*1 Warrants held through nominee companies.

\*2 Deemed interested through his spouse and his interest held in corporations by virtue of section 8 of the Companies Act 2016.

\*3 Warrants held through a nominee company.



## ANALYSIS OF WARRANT HOLDINGS

As at 29 March 2024

### THIRTY LARGEST WARRANT HOLDERS

	No. of warrants held	%
1. AMSEC Nominees (Tempatan) Sdn Bhd	21,602,562	11.538
• Pledged Securities Account for CBS Link Sdn Bhd		
2. Datin Sri Lim Sow Keng	13,779,561	7.360
3. Tiara Moden Sdn Bhd	13,250,700	7.077
4. Kenanga Nominees (Tempatan) Sdn Bhd	12,151,687	6.490
• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
5. Rezeki Megajaya Sdn Bhd	9,248,450	4.940
6. Alliancegroup Nominees (Tempatan) Sdn Bhd	8,681,250	4.637
• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
7. Affin Hwang Nominees (Tempatan) Sdn Bhd	8,662,500	4.627
• Pledged Securities Account for Keh Chuan Seng		
8. Phillip Nominees (Tempatan) Sdn Bhd	7,125,000	3.806
• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
9. Maybank Nominees (Tempatan) Sdn Bhd	6,187,500	3.305
• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
10. Goh Yong Wee	5,550,000	2.964
11. Tiara Moden Sdn Bhd	3,975,150	2.123
12. Senandung Asas Sdn Bhd	3,224,812	1.722
13. AMSEC Nominees (Tempatan) Sdn Bhd	3,062,499	1.636
• Pledged Securities Account for Dato' Sri Cheong Kong Fitt		
14. CGS International Nominees Malaysia (Tempatan) Sdn Bhd	2,550,823	1.362
• Pledged Securities Account for Dato' Cheong Peak Sooi		
15. Tan Soo Eng	2,250,000	1.202
16. Rezeki Megajaya Sdn Bhd	2,158,900	1.153
17. Affin Hwang Nominees (Tempatan) Sdn Bhd	2,011,050	1.074
• Pledged Securities Account for Cheong Kai Meng		
18. Citigroup Nominees (Asing) Sdn Bhd	1,943,149	1.038
• Exempt an for OCBC Securities Private Limited		
19. Affin Hwang Nominees (Tempatan) Sdn Bhd	1,778,850	0.950
• Pledged Securities Account for Ong Kah Hoe		
20. Maybank Securities Nominees (Tempatan) Sdn Bhd	1,592,000	0.850
• Pledged Securities Account for Ho Yock Main		
21. AMSEC Nominees (Tempatan) Sdn Bhd	1,537,500	0.821
• Pledged Securities Account for Chow Chia Wei		
22. Tan Jok Mui	1,504,200	0.803
23. Yayasan Guru Tun Hussein Onn	1,374,999	0.734
24. Yayasan Guru Tun Hussein Onn	1,374,999	0.734
25. Public Nominees (Tempatan) Sdn Bhd	1,278,300	0.683
• Pledged Securities Account for Lim Lip Eng		
26. CGS International Nominees Malaysia (Tempatan) Sdn Bhd	1,114,800	0.595
• Pledged Securities Account for Liew Ly Chen		
27. Chor Chee Heung	1,050,000	0.561
28. Ong Bee Yun	1,039,650	0.555
29. Chen Lai Peng	927,900	0.496
30. CIMSEC Nominees (Tempatan) Sdn Bhd	900,000	0.481
• CIMB for Lai Ming Chun @ Lai Poh Lin		
	<b>142,888,791</b>	<b>76.317</b>

## LIST OF PROPERTIES

As at 31 December 2023

Registered owner	Location / postal address	Date of Acquisition / Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited NBV as at 31 December 2023 (RM'000)
The Combined Bus Services Sdn Bhd	Lot 506802, PN 354609, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan /  No. 1, Persiaran Meru Raya 5, Meru Raya, 30020 Ipoh, Perak	31 July 2019  (Date of Valuation)	Commercial land with building (Terminal Meru Raya) and petrol station comprising:  a three (3)-storey integrated public transportation terminal including a basement car park  Petrol station with building comprising a petrol kiosk cum office with six (6) fuel islands and six (6) underground fuel storage tanks  The buildings' Certificate of Fitness ("CF") was dated August 2012.	Leasehold for 99 years, expiring in 2109	12 years	33,740	19,398	326,205
The Combined Bus Services Sdn Bhd	Lot 407007 & 407008, PN 408550 & 408551, Mukim Kampar, Daerah Kampar, Perak Darul Ridzuan /  PT 53493 & PT 53494, Jalan Putra Permata 9, 31900 Kampar, Perak	31 July 2019  (Date of Valuation)	Commercial land with building (Kampar Putra Sentral)  The buildings' CF was dated August 2020.	Leasehold for 99 years, expiring in 2115	4 years	15,033	116,425	321,598
The Combined Bus Services Sdn Bhd	Lot 107639, PN 395091, Bandar Ipoh (U), Daerah Kinta, Perak Darul Ridzuan /  E-6-2A, SOHO Ipoh 2, Jalan Sultan Idris Shah, 30000 Ipoh, Perak	31 July 2019  (Date of Valuation)	Commercial land with building comprising:  Three (3)-storey corporate office and six (6)-storey leased out  The building's CF was dated March 2017.	Leasehold for 99 years, expiring in 2113	7 years	6,076	2,934	12,719



## LIST OF PROPERTIES

As at 31 December 2023

Registered owner	Location / postal address	Date of Acquisition / Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited NBV as at 31 December 2023 (RM'000)
The Combined Bus Services Sdn Bhd	PT 18688 & 18689, Mukim Belanja, Daerah Kinta, Perak Darul Ridzuan	31 July 2019 (Date of Valuation)	Vacant commercial land. Intended to construct an integrated public transportation terminal	Leasehold for 99 years, expiring in 2115	-	67,327	-	10,366
The Combined Bus Services Sdn Bhd	PT 11387, Mukim Bidor, Daerah Batang Padang, Perak Darul Ridzuan	1 July 2020 (Date of Acquisition)	Construction of integrated public transportation terminal in progress	Leasehold for 99 years, expiring in 2118	-	19,834	-	2,458
CKS Bumi Sdn Bhd	Lot 3590, PN 341612, Mukim Lubok Merbau, Kuala Kangsar, Perak Darul Ridzuan /  Lot 3590, Jalan Industrial 1, Stesyen Minyak, Kawasan Perindustrian IKS, 33000 Kuala Kangsar, Perak	31 July 2019 (Date of Valuation)	Petrol station with building comprising a petrol kiosk cum office with four (4) fuel islands and five (5) underground fuel storage tanks  The building's CF was dated June 2015.	Leasehold for 99 years, expiring in 2101	9 years	4,092	926	5,064
CKS Labur Sdn Bhd	Lot 397936, PN 346083, Mukim Ulu Kinta, Daerah Kinta, Perak Darul Ridzuan /  PT 234516, Mukim Hulu Kinta, Lebuhraya Ipoh, Lumut, 31500 Lahat, Perak	31 July 2019 (Date of Valuation)	Petrol station with building comprising a petrol kiosk cum office with five (5) fuel islands and five (5) underground fuel storage tanks  The building's CF was on July 2010.	Leasehold for 99 years, expiring in 2109	14 years	4,064	908	6,022

## LIST OF PROPERTIES

As at 31 December 2023

Registered owner	Location / postal address	Date of Acquisition / Valuation	Description and existing use	Tenure	Age of Building	Land area (sq m)	Gross built up area (sq m)	Audited NBV as at 31 December 2023 (RM'000)
Ipoh Link Sdn Bhd	Lot 213097, PN 214575, Mukim Sungai Raya, Daerah Kinta, Perak Darul Ridzuan /  Lot PT 3100, Jalan Industri 2/2, Gopeng Industrial Park, 31600 Gopeng, Perak	31 July 2019  (Date of Valuation)	Industrial land with building comprising: a single (1)-storey workshop factory with a double (2)-storey office  The building's CF was on March 2001.	Leasehold for 60 years, expiring in 2055	23 years	8,124	1,368	3,117
Star Kensington Sdn Bhd	Lot 227884, PN 210177, Mukim Hulu Kinta, Daerah Kinta, Perak Darul Ridzuan /  PT 136632, Jalan Tambun, Taman Tanjung Mewah, 31250 Tanjung Rambutan, Perak	31 July 2019  (Date of Valuation)	Petrol station with building comprising a petrol kiosk cum office with five (5) fuel islands and five (5) underground fuel storage tanks  The building's CF was on May 2009.	Leasehold for 60 years, expiring in 2056	15 years	2,244	652	2,311
Citipalms Sdn Bhd	Lot 16661, PN 1069929, Bandar Seri Iskandar, Daerah Perak Tengah, Perak Darul Ridzuan	28 February 2023  (Date of Acquisition)	Vacant commercial land. Intended to construct an integrated public transportation terminal	Leasehold for 99 years, expiring in 2122	-	21,680	-	3,140



## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Fifteenth Annual General Meeting (“**AGM**”) of Perak Transit Berhad (“**Company**”) will be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its TIIH Online website at <https://tiih.online> or <https://tiih.com.my> (Domain registration number with MYNIC: D1A282781) on Thursday, 23 May 2024 at 9.00 a.m. to transact the following businesses:

### AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2023 together with the Reports of the Directors and Auditors thereon. [Please refer to Note j]
2. To approve the payment of Directors’ fees and benefits up to an amount of RM324,000 to be paid on a monthly basis from the date of the conclusion of this AGM until the conclusion of the next AGM. Resolution 1
3. To re-elect the following Directors who retire by rotation in accordance with Clause 19.3 of the Constitution of the Company:
  - a. Dato’ Haji Mohd Gazali Bin Jalal Resolution 2
  - b. Puan Azian Binti Kassim Resolution 3
4. To re-appoint Messrs Moore Stephens Associates PLT as Auditors of the Company for the financial year ending 31 December 2024 and to authorise the Directors to determine their remuneration. Resolution 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 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 (excluding treasury shares, if any) for the time being (“**Mandate**”) 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. This authority, unless revoked or varied at a meeting of members, will expire at the conclusion of the next AGM.

**THAT**, pursuant to Section 85 of the Act read together with the Company’s Constitution, approval be given to waive the statutory pre-emptive rights conferred upon the shareholders of the Company and that the Board is exempted from the obligation to offer such new Shares first to the existing shareholders of the Company in respect of the issuance and allotment of new Shares pursuant to the Mandate.

**AND FURTHER THAT** the new Shares to be issued pursuant to the Mandate, shall, upon issuance and allotment, rank pari passu in all respects with the existing shares of the Company, save and except that they shall not be entitled to any dividends, rights, allotments and/or any other forms of distribution that which may be declared, made or paid before the date of allotment of such new Shares.”

## NOTICE OF ANNUAL GENERAL MEETING

### 6. ORDINARY RESOLUTION PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Resolution 6

**“THAT** subject to the Act, the provisions of the Constitution of the Company, the Main Market Listing Requirements of Bursa Securities (**“Listing Requirements”**) and the approval of all relevant and/or regulatory authorities, the Company be and is hereby authorised to purchase such amount of ordinary shares in the Company as may be determined by the Directors of the Company from time to time through Bursa Securities, upon such terms and conditions as the Directors may deem fit and expedient in the interest of the Company (**“Proposed Share Buy-Back”**), provided that:

- (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed 10% of the total number of issued shares of the Company as at the point of purchase; and
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its own shares shall not exceed the Company’s audited retained profits at any point of time;

**THAT** upon completion of the purchase(s) of its own shares by the Company pursuant to the Proposed Share Buy-Back, the Directors be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

- (a) cancel all the shares so purchased; or
- (b) retain the shares so purchased as treasury shares (of which may be dealt with in accordance with Section 127(7) of the Act); or
- (c) retain part of the shares so purchased as treasury shares and cancel the remainder; or

in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements and any other relevant authority for the time being in force,

**THAT** such authority conferred by this resolution shall commence upon the passing of this resolution and shall continue to be in force until:

- (a) the conclusion of the next AGM, at which time the said authority shall lapse, unless by an ordinary resolution passed at a meeting of members, the authority is renewed, either unconditionally or subject to conditions; or
- (b) the expiration of the period within which the next AGM after that date is required by law to be held; or
- (c) the authority is revoked or varied by ordinary resolution passed by the shareholders of the Company in a meeting of members,

whichever occur first;

**AND THAT** the Directors be and are hereby authorised to take all such steps as are necessary or expedient in the interest of the Company to implement, finalise and give full effect to the Proposed Share Buy-Back with full powers to assent to any conditions, modifications, variations and/or amendments as may be imposed by the relevant authorities.”

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

By order of the Board of Directors  
**CHEAI WENG HOONG**  
Company Secretary

Ipoh  
23 April 2024

#### NOTES:

- a. The AGM will be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd (**“Tricor”**) in Malaysia via its TIIH Online website at <https://tiih.online>. Members are to attend, speak (including posing questions to the Board of Directors (**“Board”**) of the Company via real time submission of typed texts) and vote (collectively, **“Participate”**) remotely at this AGM via Remote Participation and Voting (**“RPV”**) facilities provided by Tricor. Members are advised to follow the procedures of RPV as stated in the Administrative Guide.



## NOTICE OF ANNUAL GENERAL MEETING

- b. According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
- c. 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. A member who has appointed a proxy to Participate at the meeting must request his/her proxy to register himself/herself for the RPV at Tricor's TIIH Online website at <https://tiih.online>.
- 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 of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation's seal or under the hand of two (2) authorised officers of his/her attorney duly authorised.
- g. The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company's Share Registrar, Tricor, not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof:
- (a) Lodgement of Form of Proxy in hardcopy - To be deposited at Tricor'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 Tricor's Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
- (b) Electronic lodgement of Form of Proxy - The Form of Proxy can be lodged electronically via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for further information on electronic submission.
- h. Only members whose names appear on the Record of Depositors as at 16 May 2024 will be entitled to Participate at the meeting.
- i. Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of the AGM of the Company shall be put to vote by way of a poll.
- j. Audited Financial Statements for financial year ended 31 December 2023**

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 members and hence, Agenda 1 is not put forward for voting.

**k. Resolution 1**

The Board through the Nomination and Remuneration Committee has assessed the proposed fees and benefits payable to non-executive Directors at their respective meetings held on 15 November 2023 and agreed that the basis of payment of the Directors' fees and benefits shall remain unchanged.

Resolution 1, if passed, will allow the Company to pay the Directors' fees and benefits as set out below in a timely manner, on a monthly basis at the end of each month, for services rendered during the course of the period from the conclusion of the date of this AGM until the conclusion of the next AGM.

	<b>Director's fee per month (RM)</b>	<b>Director's fee per annum (RM)</b>
Non-Executive Chairman	5,500	66,000
Each Non-Executive Director	4,500	54,000

The benefits payable to the Directors up to the amount of RM42,000 comprise meeting allowances.

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.

## NOTICE OF ANNUAL GENERAL MEETING

### **i. Resolutions 2 and 3**

The Directors standing for re-election (“**Retiring Directors**”), being eligible for re-election, have given their consent to seek for re-election at the AGM.

The Board through the Nomination and Remuneration Committee, in accordance with the Directors’ Fit and Proper Policy, has deliberated on the suitability of the Retiring Directors to be re-elected as Directors at their respective meetings held on 22 February 2024. Upon deliberation, the Board (except for the Retiring Directors) collectively agreed that the Retiring Directors have 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 profiles of the Retiring Directors are disclosed under the Profile of Directors on pages 6 to 9 of this Annual Report and the details of their interest in the securities of the Company are disclosed under Analysis of Shareholdings and Warrant Holdings on page 156 to 159 of this Annual Report.

### **m. Resolution 4**

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 Moore Stephens Associates PLT, which are in accordance with the Paragraph 15.21 of the Listing Requirements, had at their respective meetings on 22 February 2024 and recommended the re-appointment of Messrs Moore Stephens Associates PLT.

Messrs Moore Stephens Associates PLT have indicated their willingness to continue their services for the ensuing year.

### **n. Resolution 5**

Ordinary Resolution 5, 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. This authority will give approval to waive the statutory pre-emptive rights of the shareholders of the Company to be offered new shares ranking equally to the existing issued shares arising from any issuance of new shares. This authority, unless revoked or varied at a meeting of members, will expire at the conclusion of the next AGM.

This 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.

### **o. Resolution 6**

Ordinary Resolution 6, if passed, will allow the Company to purchase its own shares up to 10% of the total number of issued shares of the Company. Please refer to the Statement to Shareholders in relation to the Proposed Renewal of Share Buy-Back Authority dated 23 April 2024 for further details.



## ADMINISTRATIVE GUIDE OF THE FIFTEENTH ANNUAL GENERAL MEETING (“AGM”)

PERAK TRANSIT BERHAD Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

Date : 23 May 2024, Thursday  
 Time : 9.00 a.m.  
 Online Meeting platform : <https://tiih.online> provided by Tricor Investor & Issuing House Services Sdn Bhd (“Tricor”) in Malaysia

### MODE OF MEETING

The Fifteenth AGM will be conducted fully virtual through live streaming at the Online Meeting Platform as provided above.

According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.

### REMOTE PARTICIPATION AND VOTING (“RPV”) FACILITIES

The RPV facilities are available on Tricor **TIIH Online** website at <https://tiih.online>.

Shareholders are to attend, speak (in the form of real time submission of typed texts) and vote (collectively, “participate”) remotely at the AGM using RPV facilities from Tricor.

Kindly refer to Procedures for RPV as set out below for the requirements and procedures.

### Procedures to Remote Participation and Voting via RPV Facilities

- Please read and follow the procedures below to engage in remote participation through live streaming and online remote voting at the AGM using the RPV facilities:

#### Before the AGM Day

Procedure	Action
i. Register as a user with TIIH Online	<ul style="list-style-type: none"> <li>Using your computer, access to website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services”, select the “Sign Up” button and followed by “<b>Create Account by Individual Holder</b>”. Refer to tutorial guide posted on the homepage for assistance.</li> <li>Registration as a user will be approved within one (1) working day and you will be notified via e-mail.</li> <li>If you are already a user with TIIH Online, you are not required to register again. You will receive an e-mail to notify you that the remote participation is available for registration at TIIH Online.</li> </ul>
ii. Submit your request to attend AGM remotely	<ul style="list-style-type: none"> <li>Registration is open from Tuesday, 23 April 2024 until the day of AGM on Thursday, 23 May 2024. Shareholder(s) or proxy(ies) or corporate representative(s) or attorney(s) are required to pre-register their attendance for the AGM to ascertain their eligibility to participate the AGM using the RPV.</li> <li>Login with your user ID (i.e. email address) and password and select the corporate event: “<b>(REGISTRATION) PTRANS 2024 AGM</b>”.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>Select “Register for Remote Participation and Voting”.</li> <li>Review your registration and proceed to register.</li> <li>System will send an <b>email to notify</b> that your registration for remote participation is received and will be verified.</li> <li>After verification of your registration against the Record of Depositors as at 16 May 2024, the system will send you an <b>e-mail on or after 21 May 2024 to approve or reject</b> your registration for remote participation.</li> </ul>

*(Note: Please allow sufficient time for approval of new user of TIIH Online and registration for the RPV.)*

## ADMINISTRATIVE GUIDE OF THE FIFTEENTH ANNUAL GENERAL MEETING (“AGM”)

PERAK TRANSIT BERHAD Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

### On the AGM Day

Procedure	Action
i. Login to TIIH Online	<ul style="list-style-type: none"> <li>Login with your user ID and password for remote participation at the AGM at any time from 8.00 a.m. i.e. 1 hour before the commencement of meeting at 9.00 a.m. on Thursday, 23 May 2024.</li> </ul>
ii. Participate through Live Streaming	<ul style="list-style-type: none"> <li>Select the corporate event: “<b>(LIVE STREAM MEETING) PTRANS 2024 AGM</b>” to engage in the proceedings of the AGM remotely.</li> <li>If you have any question for the Chairman/Board, you may use the query box to transmit your question. The Chairman/Board will try to respond to questions submitted by remote participants during the AGM. If there is time constraint, the responses will be e-mailed to you at the earliest possible, after the meeting.</li> </ul>
iii. Online remote voting	<ul style="list-style-type: none"> <li>Voting session commences from 9.00 a.m. on Thursday, 23 May 2024 until a time when the Chairman announces the end of the session.</li> <li>Select the corporate event: “<b>(REMOTE VOTING) PTRANS 2024 AGM</b>” or if you are on the live stream meeting page, you can select “<b>GO TO REMOTE VOTING PAGE</b>” button below the Query Box.</li> <li>Read and agree to the Terms &amp; Conditions and confirm the Declaration.</li> <li>Select the CDS account that represents your shareholdings.</li> <li>Indicate your votes for the resolutions that are tabled for voting.</li> <li>Confirm and submit your vote.</li> </ul>
iv. End of remote participation	Upon the announcement by the Chairman on the conclusion of the AGM, the Live Streaming will end.

### Note to users of the RPV facilities:

- Should your registration for RPV be approved, we will make available to you the rights to join the live stream meeting and to vote remotely. Your login to TIIH Online on the day of meeting will indicate your presence at the virtual meeting.
- The quality of your connection to the live broadcast is dependent on the bandwidth and stability of the internet at your location and the device you use.
- In the event you encounter any issues with logging-in, connection to the live stream meeting or online voting on the meeting day, kindly call Tricor Help Line at 011-40805616 / 011-40803168 / 011-40803169 / 011-40803170 for assistance or e-mail to [tiih.online@my.tricorglobal.com](mailto:tiih.online@my.tricorglobal.com) for assistance.

### Entitlement to Participate and Appointment of Proxy

- Only members whose names appear on the Record of Depositors as at 16 May 2024 shall be eligible to attend, speak and vote at the AGM or appoint a proxy(ies) or the Chairman of the Meeting to attend and vote on his/her behalf.
- In view that the AGM will be conducted on a virtual basis, a member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Form of Proxy.
- If you wish to participate in the AGM yourself, please do not submit any Form of Proxy for the AGM. You will not be allowed to participate in the AGM together with a proxy appointed by you.
- Accordingly, Form of Proxy and/or documents relating to the appointment of proxy/corporate representative/attorney for the AGM whether in hard copy or by electronic means shall be deposited or submitted in the following manner not later than **Tuesday, 21 May 2024 at 9.00 a.m.:**

- In Hard copy:

By hand or post to the office of the Share Registrar, Tricor Investor & Issuing House Services Sdn Bhd at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur or its Customer Service Centre at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur;



## ADMINISTRATIVE GUIDE OF THE FIFTEENTH ANNUAL GENERAL MEETING (“AGM”)

PERAK TRANSIT BERHAD Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

### (ii) By Electronic form:

All shareholders can have the option to submit Form of Proxy electronically via TIIH Online and the steps to submit are summarised below:

Procedure	Action
<b>i. Steps for Individual Shareholders</b>	
Register as a User with TIIH Online	<ul style="list-style-type: none"><li>Using your computer, please access the website at <a href="https://tiih.online">https://tiih.online</a>. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance.</li><li>If you are already a user with TIIH Online, you are not required to register again.</li></ul>
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"><li>After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password.</li><li>Select the corporate event: <b>“PTRANS 2024 AGM - SUBMISSION OF PROXY FORM”</b>.</li><li>Read and agree to the Terms and Conditions and confirm the Declaration.</li><li>Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf.</li><li>Appoint your proxy(s) and insert the required details of your proxy(s) or appoint the Chairman as your proxy.</li><li>Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes.</li><li>Review and confirm your proxy(s) appointment.</li><li>Print the Form of Proxy for your record.</li></ul>
<b>ii. Steps for corporation or institutional shareholders</b>	
Register as a User with TIIH Online	<ul style="list-style-type: none"><li>Access TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li><li>Under e-Services, the authorised or nominated representative of the corporation or institutional shareholder selects the “Sign Up” button and followed by <b>“Create Account by Representative of Corporate Holder”</b>.</li><li>Complete the registration form and upload the required documents.</li><li>Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li><li>Proceed to activate your account with the temporary password given in the email and re-set your own password.</li></ul> <p><i>(Note: The representative of a corporation or institutional shareholder must register as a user in accordance with the above steps before he/she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.)</i></p>
Proceed with submission of Form of Proxy	<ul style="list-style-type: none"><li>Login to TIIH Online at <a href="https://tiih.online">https://tiih.online</a>.</li><li>Select the corporate exercise name: <b>“PTRANS 2024 AGM - SUBMISSION OF PROXY FORM”</b>.</li><li>Agree to the Terms &amp; Conditions and Declaration.</li><li>Proceed to download the file format for “Submission of Proxy Form” in accordance with the Guidance Note set therein.</li><li>Prepare the file for the appointment of proxies by inserting the required data.</li><li>Login to TIIH Online, select corporate exercise name: <b>“PTRANS 2024 AGM - SUBMISSION OF PROXY FORM”</b>.</li><li>Proceed to upload the duly completed proxy appointment file.</li><li>Select “Submit” to complete your submission.</li><li>Print the confirmation report of your submission for your record.</li></ul>

## ADMINISTRATIVE GUIDE OF THE FIFTEENTH ANNUAL GENERAL MEETING (“AGM”)

PERAK TRANSIT BERHAD Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

### **PRE-MEETING SUBMISSION OF QUESTION TO THE BOARD OF DIRECTORS**

Shareholders may submit questions for the Board in advance of the AGM via Tricor's TIIH Online website at <https://tiah.online> by selecting “e-Services” to login, pose questions and submit electronically no later than Tuesday, 21 May 2024 at 9.00 a.m. The Board will endeavour to answer the questions received at the AGM.

### **NO DOOR GIFT/FOOD VOUCHER**

There will be no distribution of door gifts or food vouchers for the AGM.

The Company would like to thank all its shareholders for their kind co-operation and understanding in these challenging times.

### **ENQUIRY**

If you have any enquiries on the above, please contact the Company's Share Registrar, Tricor during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

Tricor Investor & Issuing House Services Sdn Bhd  
General Line : +603-2783 9299  
Fax Number : +603-2783 9222  
Email : [is.enquiry@my.tricorglobal.com](mailto:is.enquiry@my.tricorglobal.com)



# PERAK TRANSIT BERHAD

Registration No.: 200801030547 (831878-V)  
(Incorporated in Malaysia)



KEPUASAN ANDA, KEUTAMAAN KAMI  
YOUR SATISFACTION, OUR PRIORITY

## FORM OF PROXY

(Before completing the form please refer to the notes below)

No. of shares held	CDS Account No. of Authorised Nominee

I/We \_\_\_\_\_  
(FULL NAME IN BLOCK LETTERS)

NRIC/Passport/Co. No. \_\_\_\_\_

of \_\_\_\_\_  
(ADDRESS)

Tel No. \_\_\_\_\_

being a member of **PERAK TRANSIT BERHAD**, hereby appoint:

Proxy 1 - Full Name in Block Letters	NRIC/Passport No.	No. of shares	% of shareholdings
Address: _____			

And / Or

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(ies) to vote for me/us and on my/our behalf at the Fifteenth Annual General Meeting (“**AGM**”) of the Company to be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd in Malaysia via its TIIH Online website at <https://tjih.online> on Thursday, 23 May 2024 at 9.00 a.m. or at any adjournment thereof. My/our proxy(ies) shall vote as follows:

Resolutions relating to:		For	Against
1.	Approve payment of Directors’ fees and benefits		
2.	Re-elect Dato’ Haji Mohd Gazali Bin Jalal		
3.	Re-elect Puan Azian Binti Kassim		
4.	Re-appoint Messrs Moore Stephens Associates PLT as Auditors and to authorise Directors to determine their remuneration		
5.	Authorise Directors to Issue and Allot Shares		
6.	Proposed Renewal of Share Buy-Back Authority		

(Please indicate with an “X” in the space provided how you wish your vote to be cast on the resolutions specified in the Notice of the AGM. If you do not do so, the proxy(ies) will vote or abstain from voting at his/her/their discretion.)

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

\_\_\_\_\_  
Signature/Seal of Shareholder

### NOTES:

- The AGM will be conducted fully virtual through live streaming at the online meeting platform provided by Tricor Investor & Issuing House Services Sdn Bhd (“**Tricor**”) in Malaysia via its TIIH Online website at <https://tjih.online>. Members are to attend, speak (including posing questions to the Board of Directors of the Company via real time submission of typed texts) and vote (collectively, “**Participate**”) remotely at this AGM via Remote Participation and Voting (“**RPV**”) facilities provided by Tricor. Members are advised to follow the procedures of RPV as stated in the Administrative Guide.
- According to the Revised Guidance Note and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission Malaysia on 7 April 2022, an online meeting platform located in Malaysia is recognised as the meeting venue and all meeting participants of a fully virtual general meeting are required to participate in the meeting online.
- 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. A member who has appointed a proxy to Participate at the meeting must request his/her proxy to register himself/herself for the RPV at Tricor’s TIIH Online website at <https://tjih.online>.
- 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 of his/her attorney duly authorised in writing or, if the appointor is a corporation, either under the corporation’s seal or under the hand of two (2) authorised officers of his/her attorney duly authorised.
- The instrument appointing a proxy may be made via hardcopy or by electronic means in the following manner and must be received by the Company’s Share Registrar, Tricor, not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof:
  - Lodgement of Form of Proxy in hardcopy - To be deposited at Tricor’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 Tricor’s Customer Service Centre 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 TIIH Online website at <https://tjih.online>. Please refer to the Administrative Guide for further information on electronic submission.
- Only members whose names appear on the Record of Depositors as at 16 May 2024 will be entitled to Participate at the meeting.
- Pursuant to Paragraph 8.29A(1) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the resolution set out in the Notice of the AGM of the Company shall be put to vote by way of a poll.

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STAMP

**The Share Registrar**  
**Tricor Investor & Issuing House Services Sdn Bhd**  
Registration No.: 197101000970 (11324-H)

**Unit 32-01, Level 32, Tower A**  
**Vertical Business Suite**  
**Avenue 3, Bangsar South**  
**No. 8, Jalan Kerinchi**  
**59200 Kuala Lumpur**

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[www.peraktransit.com.my](http://www.peraktransit.com.my)

**PERAK TRANSIT BERHAD**

Registration No.: 200801030547 (831878-V)

E-6-2A, SOHO Ipoh 2,  
Jalan Sultan Idris Shah,  
30000 Ipoh, Perak, Malaysia.

Tel: (+605) 255 1128 Fax: (+605) 255 3399