

PeraKTransit

KEPUASAN ANDA, KEUTAMAAN KAMI
YOUR SATISFACTION, OUR PRIORITY

Future Ready Connectivity

Annual Report 2024





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.

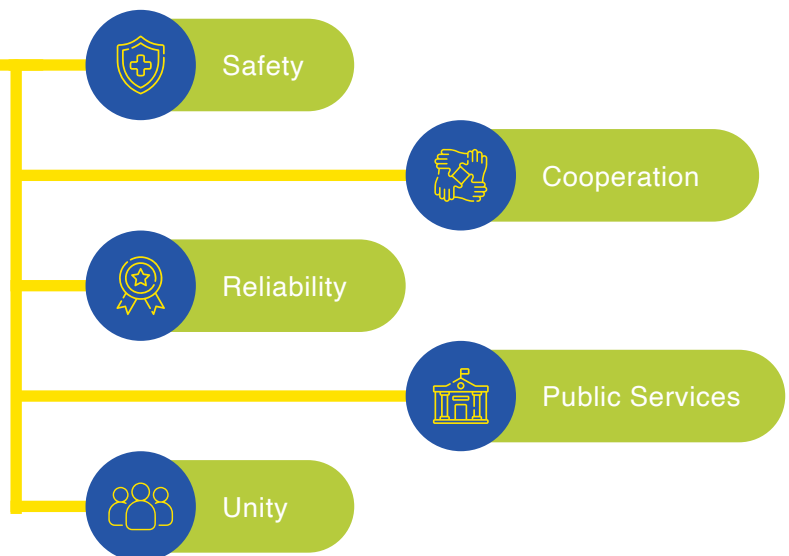


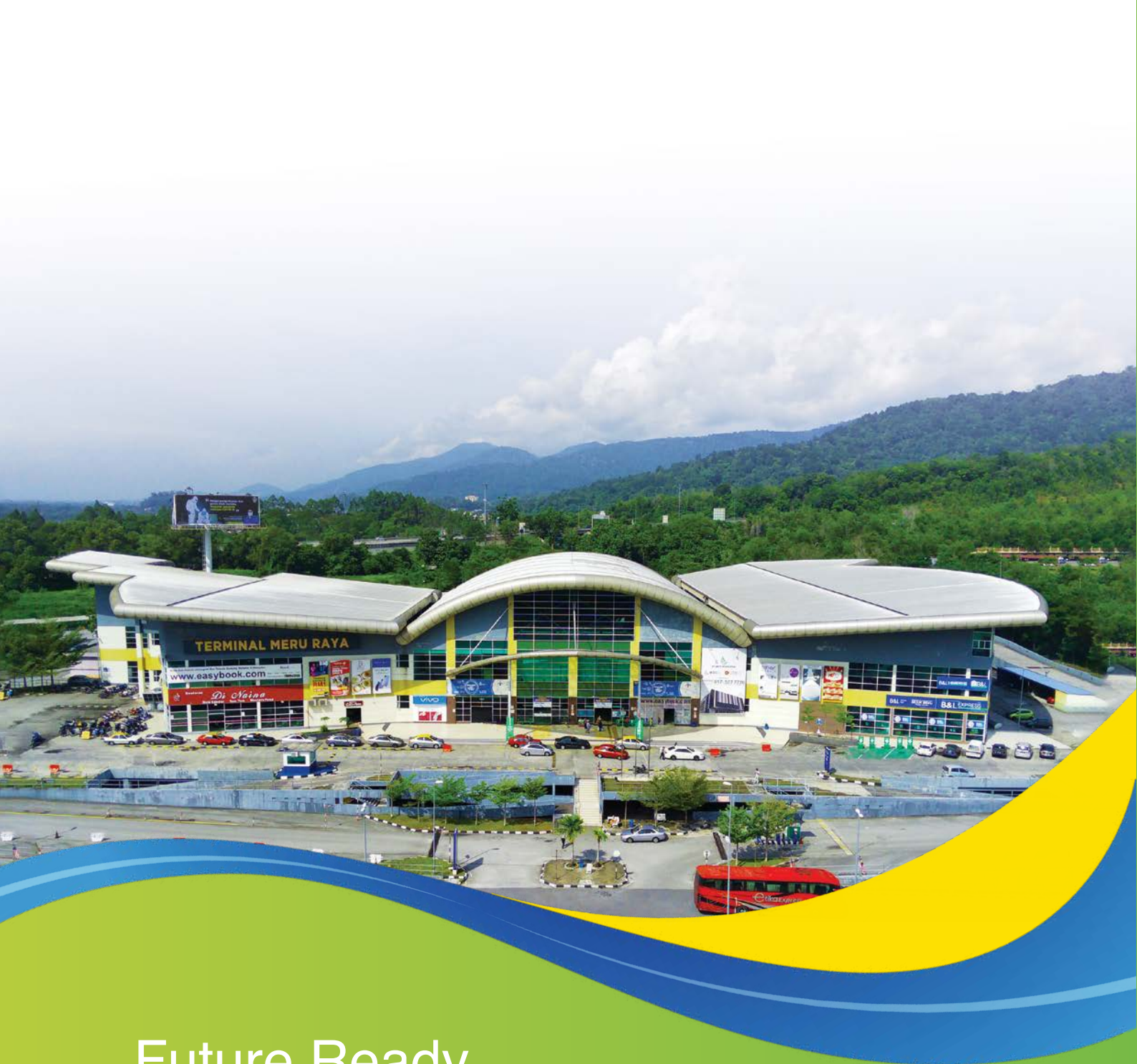
Our Mission

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





Future Ready Connectivity

Embodying Perak Transit Berhad's vision to lead in integrated terminal and transportation services across Malaysia, being future-ready reflects our forward-thinking approach to enhancing connectivity through innovative solutions, modern infrastructure, and sustainable practices. And aligning with our core values, it is our cardinal commitment to shaping a transportation ecosystem that is prepared for future challenges while delivering seamless and inclusive transit experiences for the public users we serve.

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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

E-mail Address:
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

E-mail Address:
is.enquiry@vistra.com

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

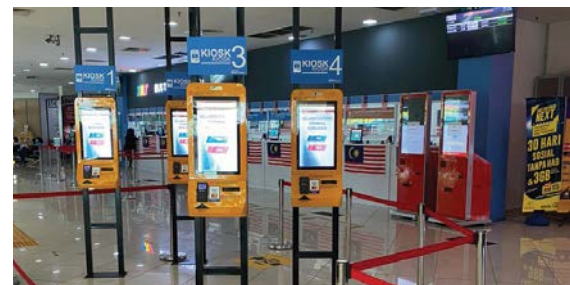
Tel No.: 04-295 9160

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%

Citipalms Sdn Bhd

100%

CKS Bumi Sdn Bhd

100%

Terminal Urus Sdn Bhd

100%

PTRANS Resources Sdn Bhd

99.98%

The Combined Bus Services Sdn Bhd

PROFILE OF DIRECTORS

TAN SRI DATO' CHANG KO YOUN

Independent Non-Executive Chairman

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 Malayan 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. 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.

Age: 68 Gender: Male Nationality: Malaysian

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. On 20 July 2022, he was appointed as the director for Perak Academy, a private funded organization that promotes interest in the state of Perak by encouraging discussion, scholarship and research. On 7 June 2023, he was appointed as the Trustee Holder for The Trustees of Malaysia Game Changer Foundation Registered.

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 2024 ("**FYE 2024**"). He does not hold any directorship in any other public listed companies.

DATO' SRI CHEONG KONG FITT

Managing Director

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.

Age: 65 Gender: Male Nationality: Malaysian



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 and Bidor Sentral in 2024. Dato' Sri Cheong Kong Fitt 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 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 2024. He does not hold any directorship in any other public listed companies.

PROFILE OF DIRECTORS

DATO' CHEONG PEAK SOOI

Executive Director

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 for supervising and monitoring the construction, and subsequently day-to-day operations of the Group.

Age: 58 Gender: Male Nationality: Malaysian

Dato' Cheong Peak Sooi is the brother of Dato' Sri Cheong Kong Fitt, the Managing Director and a major 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 2024. He does not hold any directorship in any other public listed companies.



NG WAI LUEN

Independent Non-Executive Director

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.

Age: 56 Gender: Male Nationality: Malaysian

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 2024. He does not hold any directorship in any other public listed companies.

PROFILE OF DIRECTORS

AZIAN BINTI KASSIM

Independent Non-Executive Director

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.

Age: 59 Gender: Female Nationality: Malaysian

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. On 1 May 2024, she was appointed as an Independent Non-Executive Director of Tune Insurance Malaysia Berhad.

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 has 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 2024. She does not hold any directorship in any other public listed companies.

DATO' HAJI MOHD GAZALI BIN JALAL

Independent Non-Executive Director

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.

Age: 67 Gender: Male Nationality: Malaysian



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 2024. He does not hold any directorship in any other public listed companies.

PROFILE OF DIRECTORS

ZALINAH BINTI A HAMID

Independent Non-Executive Director

Age: 64 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. She is currently also an Independent Non-Executive Director of SkyWorld Development Berhad, a Non-Executive Director of UOB Asset Management (M) Berhad and UOB Islamic Asset Management Sdn Bhd, and a Non-Executive Director of UOB Kay Hian Securities (M) Sdn Bhd.

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 2024.



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: 37 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 2024. She does not hold any directorship in any other public listed companies.

FINANCIAL
HIGHLIGHTS

Group	2024 (RM'000)	2023 (RM'000)
Revenue	186,746	173,165
Profit before tax	89,321	81,227
Profit for the year	71,021	65,110
Profit attributable to owners of the Company	70,991	65,083
Total equity attributable to owners of the Company	753,245	648,922
Total assets	1,655,365	1,265,749
Share Information	2024	2023
Basic earnings per share (sen) ⁽¹⁾	6.45	5.97
Dividends per share (sen)	2.25	3.03
Net asset per share (RM)	0.68	0.90
Financial Ratios	2024	2023
Net profit margin	38%	38%
Return on equity attributable to owners of the Company	9%	10%
Return on total assets	4%	5%
Revenue growth rate	8%	1%

Note:

⁽¹⁾ Basic earnings per share for the financial year ended 31 December 2023 and financial year ended 31 December 2024 are calculated based on the Company's weighted average number of ordinary shares in Perak Transit issued as at 31 December 2023 and 31 December 2024 respectively.

Revenue (RM'000)

2024	186,746
2023	173,165

Basic Earnings Per Share (Sen) ⁽¹⁾

6.45	2024
5.97	2023

Profit Before Tax (RM'000)

2024	89,321
2023	81,227

Net Profit Margin

38%	2024
38%	2023

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 ("**IPTTs**"), namely Terminal Meru Raya, Kampar Putra Sentral and Bidor Sentral in Perak, and the provision of public bus services in Malaysia. The Group is also involved in the management of Terminal Sentral Kuantan in Pahang and petrol station operations in Ipoh, Lahat and Kuala Kangsar in Perak, as well as the construction of telecommunication tower which commenced in 2022 in line with the Group's strategy to pursue new opportunities to increase its revenue stream and to diversify its 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, terminal management system, 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 its shareholders whilst elevating its sustainability initiatives and strategies concurrently.

MANAGEMENT DISCUSSION AND ANALYSIS

COMPANY OVERVIEW (Cont'd)

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

	Audited				
	FYE 2020 (RM'000)	FYE 2021 (RM'000)	FYE 2022 (RM'000)	FYE 2023 (RM'000)	FYE 2024 (RM'000)
Revenue	119,394	138,573	170,923	173,165	186,746
EBITDA	78,064	97,691	116,314	116,754	126,709
Profit before tax	49,017	67,807	83,653	81,227	89,321
Finance costs	12,984	8,853	10,781	13,401	13,629
Profit for the year	42,046	53,225	60,017	65,110	71,021
Equity attributable to owners of the Company	469,366	502,102	583,786	648,922	753,245
Total assets	729,095	849,175	990,595	1,265,749	1,655,365
Borrowings	225,876	295,033	335,971	538,982	785,103
Net gearing (times)	0.43	0.43	0.49	0.69	0.66
Return on equity (%)	9	11	10	10	9
Basic earnings per share (sen) ⁽¹⁾	4.67	5.32	5.75	5.97	6.45
Net asset per share (RM)	0.30	0.79	0.86	0.90	0.68

Note:

- ⁽¹⁾ Basic earnings per share for the financial year ended ("FYE") 2020, FYE 2021, FYE 2022, FYE 2023 and FYE 2024 are calculated based on the Company's weighted average number of ordinary shares in Perak Transit issued as at 31 December 2020, 31 December 2021, 31 December 2022, 31 December 2023 and 31 December 2024 respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the FYE 2024, 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, terminal management system, car park fee and taxi entrance fee in Terminal Meru Raya, Kampar Putra Sentral and Bidor Sentral; as well as terminal management fee in Terminal Sentral Kuantan.
- ii. Bus operations – Engaged in the operation of public 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 RM186.75 million for the FYE 2024 increased by 7.8% compared to RM173.17 million in the FYE 2023. The increase in revenue was mainly due to a higher contribution from IPTT operations during the year.

The Group's profit before tax recorded a double-digit growth of 10.0% for the FYE 2024, reaching RM89.32 million, compared to RM81.23 million in the FYE 2023. The growth in profit before tax was mainly driven by the higher contribution from IPTT operations during the year.

Consolidated Statement of Financial Position

The non-current assets consist of property, plant and equipment ("PPE"), investment properties, contract cost, goodwill on consolidation and deferred tax assets. As at the end of the FYE 2024, the non-current assets increased to RM1,332.38 million (FYE 2023: RM1,142.53 million) mainly due to the increase in PPE resulted from the construction costs of Tronoh Sentral and Seri Iskandar Sentral, as well as revaluation surplus during the year.

The current assets of the Group consist of inventories, trade and other receivables, contract assets, other assets, current tax assets, fixed deposits with licensed banks, and cash and bank balances. The current assets as at the end of the FYE 2024 increased to RM322.99 million from RM123.22 million in the FYE 2023, which was mainly due to the increase in fixed deposits with licensed banks, and increase in cash and bank balances to RM285.85 million (FYE 2023: RM87.52 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 as at the end of the FYE 2024 increased to RM780.20 million (FYE 2023: RM530.37 million) mainly due to the increase in the non-current portion of borrowings resulted from the drawdown of Sukuk Wakalah programme of RM300 million during the FYE 2024 to finance the construction costs of the new Seri Iskandar Sentral.

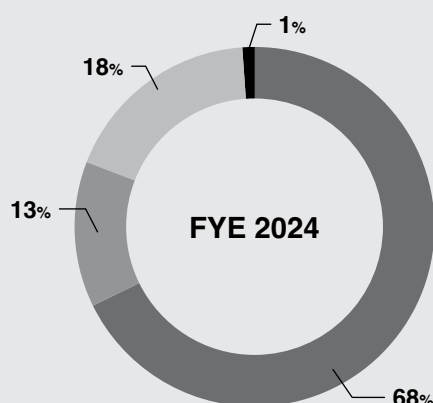
The current liabilities of the Group consist of trade and other payables, current portion of borrowings, current portion of deferred capital grant, other liabilities and current tax liabilities. The major contributor to the current liabilities is borrowings of RM79.21 million (FYE 2023: RM57.30 million).

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 RM355.77 million (FYE 2023: RM350.10 million).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW (Cont'd)

Segmental Overview



Revenue Breakdown by Segments

- IPTT Operations
- Bus Operations
- Petrol Station Operations
- Telecommunication Tower Construction Operations

IPTT Operations Segment

	FYE 2023 (RM'000)	FYE 2024 (RM'000)
Revenue	110,906	126,629

The IPTT operations recorded a revenue of RM126.63 million, which represents the largest contributor to the Group at 67.8% of the Group's total revenue recorded in the FYE 2024. The Group's revenue from this segment improved by RM15.72 million or 14.2% compared to RM110.91 million in the FYE 2023 mainly driven by the commencement of operations at Bidor Sentral, as well as higher contributions from rental income and revenue sharing contributions from tenants during the year.

Bus Operations Segment

	FYE 2023 (RM'000)	FYE 2024 (RM'000)
Revenue	25,787	25,002

The Group's revenue from bus operations segment decreased 3.0% from RM25.79 million in the FYE 2023 to RM25.00 million in the FYE 2024 mainly attributable to lower contributions from Stage Bus Service Transformation programme.

Petrol Stations Operations Segment

	FYE 2023 (RM'000)	FYE 2024 (RM'000)
Revenue	33,850	33,232

The Group's revenue from petrol station operations declined 1.8% from RM33.85 million in the FYE 2023 to RM33.23 million in the FYE 2024. The decline in revenue was mainly attributable to the recognition of certain revenue during the year based on the net amount received.

Telecommunication Tower Construction Operations Segment

	FYE 2023 (RM'000)	FYE 2024 (RM'000)
Revenue	2,622	1,883

The revenue from the telecommunication tower construction operation dropped by 28.2% to RM1.88 million in the FYE 2024, compared to RM2.62 million in the FYE 2023, mainly due to reduced construction works of telecommunication towers during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

DIVIDEND

In line with the good performance of the Group for the FYE 2024, the Board of Directors (“**Board**”) had declared the following single tier dividends in respect of the FYE 2024:

- A first interim dividend of RM0.0075 per share, paid on 21 May 2024
(FYE 2023: RM0.0075 per share, paid on 19 May 2023)
- A second interim dividend of RM0.005 per share, paid on 22 August 2024
(FYE 2023: RM0.0075 per share, paid on 21 August 2023)
- A third interim dividend of RM0.005 per share, paid on 18 November 2024
(FYE 2023: RM0.0075 per share, paid on 15 November 2023)
- A fourth interim dividend of RM0.005 per share, paid on 17 February 2025
(FYE 2023: RM0.0075 per share, paid on 14 February 2024)

The Board does not recommend the payment of any final dividend in respect of the FYE 2024. The total dividends for the FYE 2024 are RM0.0225 per share (FYE 2023: RM0.03 per share) and the total dividends declared and paid in respect of the FYE 2024 were approximately RM24.82 million (FYE 2023: RM21.93 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

Kampar Putra Sentral, which commenced operations in September 2020, offers a one-stop, convenient public bus terminal with retail outlets, eateries, a cinema, a bowling, a badminton court, a hotel and a ballroom to both local residents and students. With its strategic location in Kampar, the terminal serves students from various education institutions, namely Universiti Tunku Abdul Rahman and Tunku Abdul Rahman University College. The Group is optimistic that footfall traffic and passenger numbers at the terminal will increase. The Group is also pleased to highlight the commencement of operations in 2024 by new tenants, including F&B outlets, family entertainment facilities, a ballroom, bowling, and a furniture store offering renovation services, alongside existing cinema and badminton court facilities that began in 2023. The Group has successfully secured tenancy with Partner Retail Sdn Bhd (SVETOFOR), a supermarket operator, at both Terminal Meru Raya and Kampar Putra Sentral in June 2024. The introduction of these new tenants is expected to attract higher footfall to Kampar Putra Sentral. Kampar Putra Sentral has also transitioned from a third-party terminal management system to a new in-house PTRANS Terminal Management System (PTMS) to digitalise and enhance the passenger ticketing and boarding experience. This new management system will be implemented at 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 of the Group's third terminal, Bidor Sentral, has been completed. The Certificate of Completion and Compliance was obtained on 9 August 2024, and operations commenced on 26 September 2024. Bidor is an important turn off from the North South Expressway that leads to the coastal districts of southern and central Perak. The Group is optimistic that the development of Bidor Sentral will contribute positively to its earnings. The Group has secured tenancies with a clothing store, a bowling operator, a badminton operator and an F&B outlet, in addition to TF Value-Mart Sdn Bhd ("TFVM"). In collaboration with TFVM, which will serve as a key anchor tenant, the Group will offer an essential shopping experience for customers while attracting more footfall to Bidor Sentral. The Ministry of Finance Malaysia has granted an investment tax allowance of 50% on qualifying capital expenditure for the development of Bidor Sentral, which can be deducted against 100% of the statutory income for the year of assessment attributable to the operation of Bidor Sentral, excluding any income derived from letting of commercial retail outlets, advertising and promotional spaces, subjected to further conditions.

The Group is also actively seeking new third-party terminal management services to expand this asset light business, as evidenced by the collaboration to operate Terminal Sentral Kuantan in Pahang. The provision of terminal management services along with the ongoing expansion of the Group to develop, own and operate IPTTs, will support the Group's further growth.

As part of the Group's proactive business transformation, the Group has entered into a deal with edotco Malaysia Sdn Bhd's subsidiaries to provide construction and engineering services for the building of telecommunication towers. As of the current year, the Group has completed all eleven (11) telecommunication towers. The Group is actively seeking additional telecommunication tower construction projects to further contribute to the segment's revenue. This new business segment aligns with the Group's strategy to pursue new opportunities, 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 designated sites with zero capital expenditure for the Group. The agreement demonstrates the Group's initiatives to utilise more green energy, reduce its carbon footprint and generate future energy cost savings. The Group has completed the Solar PV installation at Terminal Meru Raya, Kampar Putra Sentral and all petrol stations. The solar tariff for petrol stations, Kampar Putra Sentral and Terminal Meru Raya commenced in December 2023, January 2024 and July 2024 respectively.

Additionally, as part of its efforts to modernise urban transportation services, the Group is finalising the acquisition of electric buses and the provision of electric vehicle charging stations, in line with its green initiatives.

The Group is optimistic that its proactive business transformations and efforts to drive innovative leasing solutions will continue to foster 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 2024 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.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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.

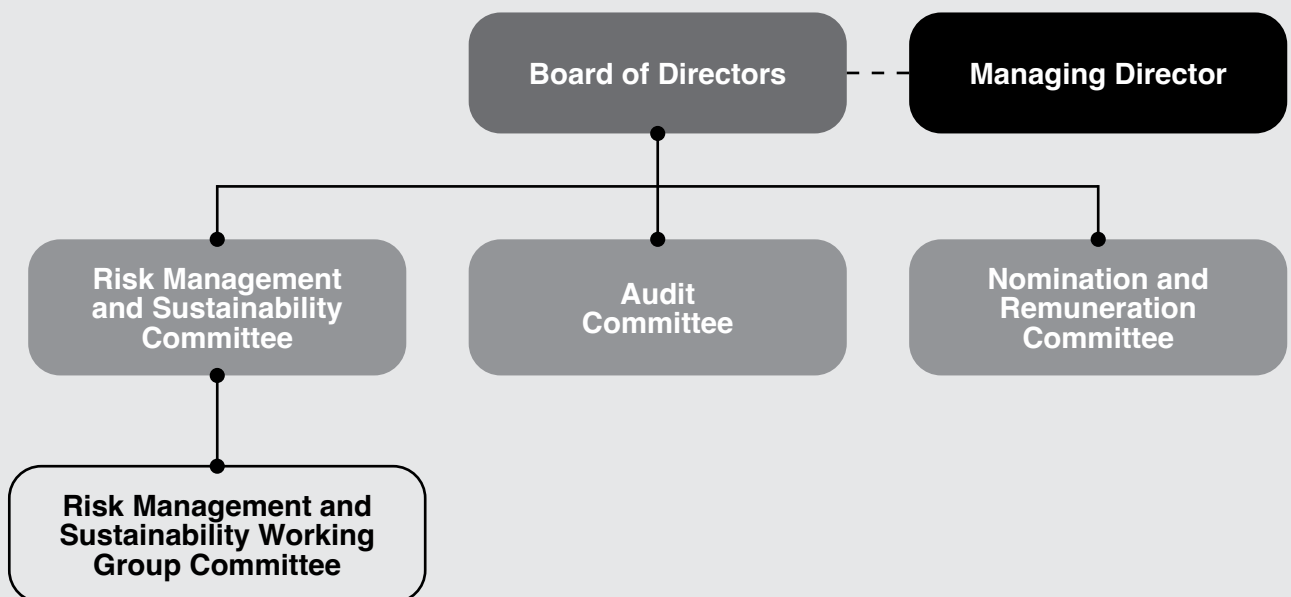
The Board reviews the Board Charter from time to time to ensure its relevance in assisting the Board to discharge its duties in accordance to the Listing Requirements and current regulations and any new regulations that may have an impact on the discharge of the Board's objectives and responsibilities.

The details of the Board Charter are available for reference on the Company's website at www.peraktransit.com.my.

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 and Sustainability Committee, which operate within defined terms of reference. The Chairman of the respective Board 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.

On 22 February 2024, the 'Risk Management Committee' was renamed to the '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 within the Group.

The governance structure of the Board is as follows:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Board Meetings

During the financial year 2024, the Board held four (4) scheduled meetings on 22 February 2024, 23 May 2024, 19 August 2024 and 18 November 2024. 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 in the financial year 2024 are as follows:

Attendance in 2024	
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	2/4
Mr Ng Wai Luen	4/4
Puan Azian Binti Kassim	4/4
Puan Zalinah Binti A Hamid	4/4

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:

- Providing leadership to the Board to ensure the Board performs its duties effectively;
- Instilling good corporate governance practices in the Company;
- Leading the discussions in Board meetings to ensure the views and opinions from all parties are taken into account before arriving at a decision;
- Encouraging active participation in Board meetings and allowing dissenting views to be freely expressed and considered; and
- 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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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.

The Company Secretary attended all the meetings of the Board and Board Committees held during the financial year 2024.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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.

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 26 February 2025, the Board has approved the amendment to the Anti-Corruption and Anti-Bribery Policy by updating the Company's Logo and renaming the 'Risk Management Committee' and 'Risk Management Working Group Committee' to the 'Risk Management and Sustainability Committee' and 'Risk Management and Sustainability Working Group Committee'.

The details of the revised Anti-Corruption and Anti-Bribery Policy are available for reference on the Company's website at www.peraktransit.com.my.

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 18 November 2024, the Board has approved the amendment of the Whistle Blowing Policy by revising the reporting channel, where the Whistle Blowing Report is now be directed to the personal email address of the Chairman of the Board and Managing Director as per the recommendations of Bursa Securities.

The details of the revised Whistle Blowing Policy are available for reference on the Company's website at www.peraktransit.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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.

Tenure of Independent Directors

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.

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. 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. The Board and the Nomination and Remuneration Committee have upon their annual assessment, concluded that each of the five (5) independent directors continues to demonstrate conduct and behaviour that are essential indicators of independence, and that each of them continues to fulfill the definition and criteria of independence as set out in the Listing Requirements.

As at the end of the financial year 2024, two (2) of the five (5) independent directors' tenure have exceeded the cumulative term of nine (9) years.

The Board has carefully assessed and reviewed the performance of Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen, who have served the Board for more than nine (9) years and have determined their independence as a director. Based on the following justifications, the Board concluded that Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen are able to continue to discharge their duties and responsibilities effectively to ensure balance of power and authority on the Board:

- (i) Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen have met the criteria as independent directors pursuant to the Listing Requirements, and are therefore able to provide objectivity, independent judgment, and balance to the Board;
- (ii) Both of them were independent directors with high intellect, honesty, and a genuine commitment to serve the best interests of the Company and its shareholders;
- (iii) They do not hold any directorships in other listed companies that would limit their ability to contribute productively to the Company;
- (iv) Their extensive experience and comprehensive knowledge will continue to enhance the Company's standing, while safeguarding their independence as independent directors;
- (v) They attended all scheduled Board meetings without fail during the year under review;
- (vi) The Company has benefited from their long tenure as independent directors who possess detailed knowledge of the Group's business, standard operating procedures, internal controls, information technology matters and risk profile, proven commitment, integrity, experience, competence and wisdom to effectively advise the Board;
- (vii) Although having served for a consecutive term of more than nine (9) years, they undergo yearly assessment and review by the Board through a transparent criteria evaluation;
- (viii) Additionally, they make an annual declaration confirming their independence from management and that no business or relationship interferes with their independent judgment;
- (ix) Without retaining them, the Company would lose two (2) highly professional Board members of their caliber; and
- (x) In accordance with the MCCG, the Company is not classified as a Large Company.

The Board has recommended that approval of the shareholders be sought through a two-tier voting process to retain Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen as independent directors of the Company.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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 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.

The position of the Chief Financial Officer, a senior management position, is held by a woman. The Company has achieved a 56% female employees participation in the senior management level at the end of the financial year 2024. 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.

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.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Nomination and Remuneration Committee

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

During the financial year 2024, the Nomination and Remuneration Committee held two (2) meetings on 22 February 2024 and 18 November 2024.

The meeting attendance of the members in the financial year 2024 is as follows:

	Attendance in 2024
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 2024, amongst others, include recommendations to the Board on the following matters:

- Reviewed the training attended by the directors in the financial year 2023 to ensure they have received appropriate continuous training;
- Reviewed and recommended the executive directors' salaries for the financial year 2025 and the discretionary bonus for the financial year 2023;
- 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 2025 until the conclusion of following AGM to be held in 2026;
- Evaluated and assessed the Audit Committee as a whole and each of its individual members;
- Evaluated and assessed the Board as a whole and each individual directors; and
- 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

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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, sustainability risks and opportunities, and succession planning

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 for the financial year 2024, 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

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Directors' Training

All directors have attended and completed the Mandatory Accreditation Programme and 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	Invest Fair 2024: Money – Finance – Technology
Dato' Sri Cheong Kong Fitt	E-Invoice: Implementation & Latest Updates
Dato' Cheong Peak Sooi	E-Invoice: Implementation & Latest Updates
Dato' Haji Mohd Gazali Bin Jalal	- Mandatory Accreditation Programme Part II: Leading for Impact (LIP) 7th World Conference on Islamic Thought & Civilization
Mr Ng Wai Luen	- Continuing Professional Development Program - Microsoft Copilot - Kickstarter - Case Study-Based MFRS Webinar: Statement of Cash Flows: Preparation and Presentation using MS Excel Spreadsheets - E-Invoicing in Malaysia - MIA Webinar Series: TAXATION: A Strategic View of Recent Developments
Puan Azian Binti Kassim	- Mandatory Accreditation Programme Part II: Leading for Impact (LIP) - Anti Money Laundering Awareness Session - Key Insights of Hajah and Darurah Principles and Applications - Navigating New Frontiers, Embracing Sustainability - Insurance Forum 2024 - Malaysia Post Budget 2025 - ESG & Sustainability Conference 2024
Puan Zalinah Binti A Hamid	- Welcoming The Dragon - Principal Investment Summit - ESG & Sustainability Conference 2024

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 reviews 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 ultimate 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

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

Directors' Remuneration

The Board noted that the MCGG recommends the disclosure on named basis 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 2024 is as follows:

Received from Company

(in RM)	Fees	Salaries and other emoluments	Bonus	Benefits in-kind	Meeting allowance	Total
Executive directors						
Dato' Sri Cheong Kong Fitt	-	87,520	-	-	4,000	91,520
Dato' Cheong Peak Sooi	-	74,400	-	5,304	4,000	83,704
Non-executive directors						
Tan Sri Dato' Chang Ko Youn	66,000	160	-	-	4,000	70,160
Dato' Haji Mohd Gazali Bin Jalal	54,000	120	-	-	3,000	57,120
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
Executive directors						
Dato' Sri Cheong Kong Fitt	-	730,968	98,120	5,300	4,000	838,388
Dato' Cheong Peak Sooi	-	583,094	81,110	5,304	4,000	673,508
Non-executive directors						
Tan Sri Dato' Chang Ko Youn	66,000	160	-	-	4,000	70,160
Dato' Haji Mohd Gazali Bin Jalal	54,000	120	-	-	3,000	57,120
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

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 1: BOARD LEADERSHIP AND EFFECTIVENESS (Cont'd)

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.

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 management of sustainability-related risks and opportunities is described in more details in the Sustainability Statement is set out on pages 36 to 86 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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 87 to 91 of this Annual Report.

Financial Reporting

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.

For financial reporting through quarterly interim financial reports to Bursa Securities and the audited annual financial statements to shareholders, the Board has the ultimate 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 96 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 2: EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

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.

In determining the independence of 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 2025.

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 92 to 95 in this Annual Report provides an overview of the state of risk management and internal controls within the Group.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

SECTION 2: EFFECTIVE AUDIT AND RISK MANAGEMENT (Cont'd)

Risk Management and Sustainability Committee

The Risk Management and Sustainability 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 members are independent directors as recommended under Practice 10.3 of the MCCG.

The Risk Management and Sustainability Committee primarily assists the Board in overseeing the risk management and sustainability framework and reviewing the effectiveness of overall risk management and sustainability of the Group. The significant risks identified for the Group and the findings highlighted by the Risk Management and Sustainability 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 2024, the Risk Management and Sustainability Committee held two (2) meetings on 22 February 2024 and 18 November 2024.

The meeting attendance of the members in the financial year 2024 is as follows:

	Attendance in 2024
Mr Ng Wai Luen (Chairman)	2/2
Dato' Cheong Peak Sooi	2/2
Puan Zalinah Binti A Hamid	2/2

The activities carried out by the Risk Management and Sustainability Committee during the financial year 2024, amongst others, include recommendations to the Board on the following matters:

- Reviewed the reports from the Risk Management and Sustainability Working Group Committee and the risks areas identified;
- 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
- Reviewed the meeting plan of the Risk Management and Sustainability Working Group Committee.

The Risk Management and Sustainability Committee received briefings on seven (7) risk factors highlighted by the Risk Management and Sustainability 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 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 2024 are set out in the Audit Committee Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

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. 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.

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. During the Covid-19 pandemic, the Company has conducted its AGM and Extraordinary General Meeting virtually to ensure continued shareholders engagement, even from a remote location. The 15th AGM was held virtually on 23 May 2024. On 30 August 2024, Bursa Securities announced that the Covid-19 pandemic had ended, and all public listed companies on Bursa Malaysia must hold hybrid or physical general meetings starting 1 March 2025. Therefore, the Board will conduct future AGMs physically.

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 2024 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	3,050	3,700	54.81	Within 24 months
Partial construction cost for Bidor Sentral	13,500	13,500	-	-	Within 12 months
General working capital	12,000	15,668	(3,668)	(30.57)	Within 12 months
Estimated expenses for the Proposed Private Placement	650	682	(32)	(4.92)	Within 1 month
Total	38,084	32,900	-		

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

The actual costs incurred for the terminal management services projects were RM3.05 million, which was lower than the estimated amount of RM6.75 million. This decrease was mainly due to the actual costs being lower than the budgeted amount allocated for the terminal management services projects. The variation in the actual costs incurred for the terminal management services projects was adjusted against the amount allocated for the Group's general working capital.

ADDITIONAL DISCLOSURE REQUIREMENT

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 2024 ("FYE 2024") are as follows:

FYE 2024	Company (RM'000)	Group (RM'000)
Audit	53	200
Non-Audit	76	276

The non-audit fees included review of Statement of Risk Management and Internal Control, Agreed Upon Procedures, as well as 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 2024 or, if not then subsisting, entered into since the end of previous financial year.

iv) Recurrent Related Party Transactions

During the FYE 2024, 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**”) remain steadfast in their vision of achieving sustainable long-term growth by incorporating Economic, Environmental, Social and Governance factors into our journey. The Sustainability Statement outlines the Group’s practices and approaches in sustainability management and its progress toward a sustainable future.

Assurance

This statement has not been externally assured. However, 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.

STATEMENT OVERVIEW

Reporting Period and Cycle

This statement covers the financial year from 1 January 2024 to 31 December 2024 (“**FYE 2024**”) and is reported on an annual basis. Data and information from previous years have been included where possible.

Reporting Scope

This statement encompasses all business operations of the Group within the geographic scope of Malaysia. The divisions covered include 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 starting from the financial year ended (“**FYE**”) 2023, as this segment has contributed for the full year in FYE 2023, following its commencement in October 2022.

Reporting Framework

This statement has been prepared in accordance with and with 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**”).

Point of Contact

We value your feedback and opinions regarding our sustainability efforts and reporting approaches. Please feel free to reach out to us with any enquiries via our email address at enquiry@peraktransit.com.my.

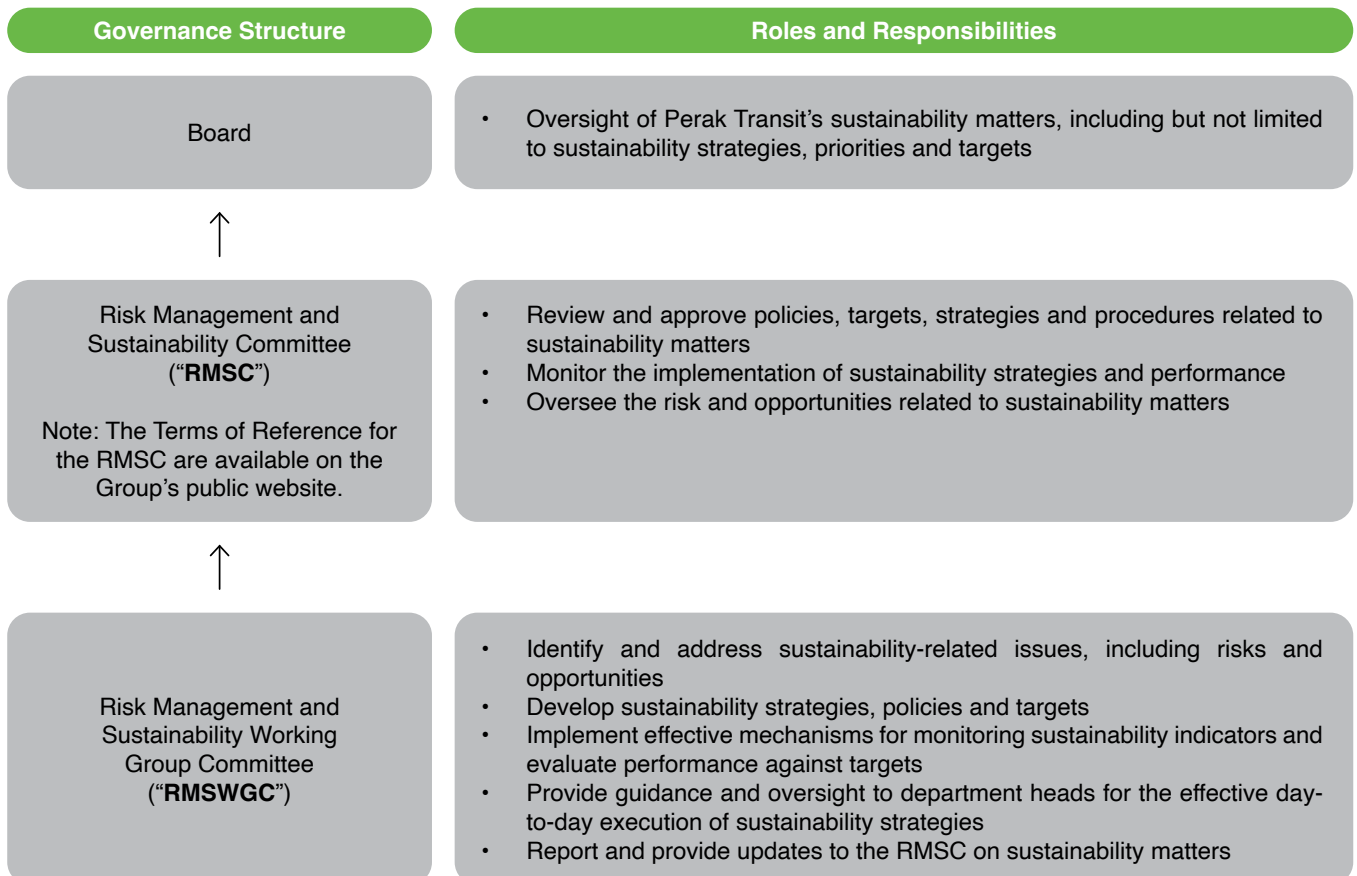
SUSTAINABILITY STATEMENT

SUSTAINABILITY GOVERNANCE

The sustainability governance structure of the Group is integrated into our overall corporate governance framework. To ensure sustainability considerations are embedded in decision-making processes at the highest levels, our Board approved the renaming of the 'Risk Management Committee' to the 'Risk Management and Sustainability Committee' on 22 February 2024. This change better reflects the expanded duties and responsibilities, assisting our Board in overseeing the Group's sustainability strategy and initiatives, which include environmental, social and economic responsibilities, as well as the related sustainability practices across the business.

Our Managing Director, through the Risk Management and Sustainability Working Group Committee, is responsible for the strategic management of material sustainability matters, which includes developing and planning of sustainability strategies and goals, as well as monitoring the day-to-day implementation of these strategies.

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



SUSTAINABILITY STATEMENT

STAKEHOLDER ENGAGEMENT

Stakeholders will continue to be the focal point of our business. Our key stakeholder groups include customers, media, employees, suppliers, shareholders, investors and financiers, business partners, community, and governments and regulators. We have engaged all stakeholder groups through various methods and at differing frequencies over the past years. This engagement has occurred through both formal and informal discussions and meetings, including 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	Frequency: Ongoing Type: Customer surveys	- Customer Satisfaction - Health and Safety	- Customer survey - Address customer concerns
Media	Frequency: Frequent Type: Newspapers, social media, press releases	Community Engagement	- Direct engagement - Press statements/briefings - Highlight efforts through engagement and communication channels
Employees	Frequency: Regular, ongoing Type: Knowledge sharing sessions, internal employee engagement programme, internal employee satisfaction survey programme, innovation accelerator programme, annual appraisal and performance review	- Workforce Management - Human and Labour Rights - Health and Safety	- Staff engagement programmes - Implementation of environment, safety and health programmes involving employees - Job-related training and workshops
Suppliers	Frequency: Occasional Type: Meetings, discussions, assessments	Supply Chain Management	- Supplier screening assessment - Constant and regular communication - Process improvement - Engaging and sharing concerns with relevant parties
Shareholders, investors and financiers	Frequency: Annual, quarterly, ongoing Type: Annual general meeting, announcements, press releases, briefings, meetings	- Economic Performance - Natural Resource Management	- Regular audits - Ongoing engagement and sharing of strategy
Business partners	Frequency: Ad hoc Type: Meetings, discussions	- Economic Performance - Innovation and Digitalisation	- Communication - Engaging and sharing concerns with relevant parties

SUSTAINABILITY
STATEMENT

Stakeholder Group	Frequency and Type of Engagement	Material Sustainability Topics of Concern	How We Manage Issues
Community	Frequency: Ad hoc Type: Dialogue, engagement, community activities	• Innovation and Digitalisation • Customer Satisfaction • Natural Resource Management	• Communication through reporting on environmental conservation activities • Corporate social responsibility activities
Governments and regulators	Frequency: Regular, ongoing Type: Meetings, pre-consult submission, periodical reporting	• Corporate Governance	• Responsible reporting and communication • Monitoring of compliance

MATERIALITY MATTERS

Through the materiality assessment, we have identified material matters that can directly or indirectly influence our business operations and the decisions of our stakeholders. These matters will serve as a guide for the Group in shaping our business strategies and allocating resources. The Group aims to conduct a comprehensive materiality assessment every three (3) years, with annual reviews of its materiality matrix to ensure the continued relevance of our sustainability priorities.

FYE 2022

- Evaluate the significance of each material matter identified in FYE 2021 on the Group's operations and its influence on stakeholders' decisions through internal discussions, stakeholders engagement and surveys.

FYE 2023

- Performed a round of full materiality assessments with both internal and external stakeholders to ensure the continued relevance of the identified material matters.
- The outcome of the process was reviewed by our RMSC and endorsed by the Board.

FYE 2024

- Reviewed the FYE 2023 assessment with our internal stakeholder groups.
- Reaffirmed that the prioritised material matters remain relevant.

In FYE 2024, through our limited-scale materiality review, we concluded that all our twelve of our existing material matters are aligned with our stakeholders' expectations. These material matters are illustrated in the materiality matrix below, plotted against the x-axis, which shows the significance of each matter to business operations, and the y-axis, which shows the significance of each matter to our stakeholders.

Note: For further information on our full materiality assessment for FYE 2023, please refer to the Additional Information: Material Matters (Appendix) section (pages 85 to 86).

Materiality Matrix



SUSTAINABILITY STATEMENT

RISK MANAGEMENT

The Group has integrated sustainability and climate-related risks into our risk management assessment, in addition to our corporate, financial and operational risks. We ensure all identified risks remain within our risk appetite through regular revisions and monitoring by designated risk owners, with further deliberation by the Board and RMSC.

Material Matters	Risks	Opportunities
Economic Performance	1. Extreme weather events such as floods and typhoons, may damage terminal structures. 2. The rainy season may cause power outages, which could increase maintenance costs and impact profitability.	1. The utilisation of stronger, corrosion-resistant materials for construction to enhance durability and avoid disruption to our core terminal operations. 2. Economic growth can significantly elevate the demand for public transportation and increase passenger traffic at terminals, thereby driving revenue growth for the Group. 3. Improvements in our operations will lead to more job opportunities for local communities.
Innovation and Digitalisation	1. The neglect of innovative capabilities may weaken our competitive edge. 2. The risk of technology becoming obsolete may disrupt operations. 3. Adverse weather conditions may lead to delays in stage bus services and third party express bus services.	1. The preservation of technology will help the Group expand its operations smoothly. 2. Adoption of digitalisation practices, such as the implementation of applications that provide passengers with real-time bus locations and schedules, and implementation of display systems that provide passengers with latest information on delays or changes.
Customer Satisfaction	1. The rapid evolution of customer preferences could make it difficult to maintain high levels of satisfaction. 2. Inconsistencies in service or product quality may lead to customer dissatisfaction. 3. Customer feedback that is not submitted may result in missed opportunities for improvement and a reduction in customer loyalty.	1. High customer satisfaction will boost brand loyalty, retention rates and sales. 2. The use of customer service feedback can provide opportunities and insights for improving the Group. 3. High customer satisfaction will attract more customers, leading to increased earnings for the Group.
Supply Chain Management	1. Reliance on suppliers experiencing operational or financial challenges may disrupt the supply chain. 2. Toxic waste and pollutants that do not adhere to recycling systems, especially from bus and petrol station operations, may harm the environment.	1. Effective supply chain management will result in cost savings and improved operational efficiency. 2. Environmentally friendly and ethical practices can improve the Group's reputation.

SUSTAINABILITY STATEMENT

Material Matters	Risks	Opportunities
Natural Resource Management	1. Dependence on limited natural resources could lead to operational disruptions, affecting service delivery and customer satisfaction. 2. The increasing frequency of rainy seasons due to climate change may cause power outages at our petrol stations and delays in telecommunication tower construction, disrupting daily operations. 3. Failure to comply with current and emerging environmental regulations could result in financial penalties.	1. Effective resource management offers opportunities for cost savings by reducing consumption, waste, and related expenses. 2. A commitment to responsible resource management can strengthen relationships with stakeholders, including customers, investors and regulatory bodies.
Workforce Management	1. Reduced employee satisfaction can result in lower morale, productivity and overall performance. 2. Higher employee turnover may increase recruitment and training costs. 3. An unmaintained positive workplace environment can lead to reputational harm.	1. Increase employee satisfaction and encourage higher retention rates. 2. Enhance the organisation's reputation and make it more appealing to potential employees. 3. Foster a workforce that is more innovative and adaptable.
Health and Safety	1. Safety incidents or breaches can lead to operational disruptions and negatively impact staff morale. 2. Failure to comply with legal standards can result in financial penalties and damage the company's reputation. 3. Substantial investment may be required to implement comprehensive safety protocols.	1. Enhance employee morale and productivity by ensuring a safer workplace. 2. Lower costs related to workplace accidents and health issues. 3. Enhance the company's reputation by being a responsible employer.
Human and Labour Rights	1. Failure to comply can result in fines and harm the company's legal reputation. 2. Disregarding employee rights can lead to dissatisfaction and strikes, disrupting operations. 3. Poor handling of employee grievances and disputes can lead to unrest and legal issues.	1. Promote compliance with the local labour laws. 2. Handle cultural and regional differences in labour practices. 3. Resolve grievances and ethical concerns effectively.
Community Engagement	1. The community may oppose new projects or expansions by the Group, resulting in delays and increased costs. 2. A lack of engagement can lead to a loss of community support. 3. Poor relationships with local authorities may impact permits and cooperation on future projects.	1. Business objectives must align with community expectations. 2. Identify and manage the diverse needs and interests of the community. 3. Secure long-term commitment and ensure consistent follow-through.
Corporate Governance	1. Failure to comply with laws, regulations and standards can result in legal penalties, fines and damage to reputation. 2. Weak corporate governance may diminish investor confidence in the Group.	1. Effective corporate governance ensures the protection of the interests of all stakeholders.

SUSTAINABILITY STATEMENT

OUR SUSTAINABILITY GOALS

Perak Transit is committed in supporting the UN SDGs and realigning our strategies with these 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 Matters	Targets	Performance in FYE 2024
Natural Resource Management	Reduce Scope 1 GHG emission intensity by 5% from the 2022 baseline by 2030	Scope 1 GHG emission intensity reduced by 4.5% in FYE 2024 compared to the baseline
	Reduce Scope 2 GHG emission intensity of terminal operations by 5% from the 2022 baseline by 2030	Scope 2 GHG emission intensity of terminal operations reduced by 23.6% in FYE 2024 compared to the baseline
	Achieve waste diversion rate of 60% annually	Waste diversion rate of 77.4% in FYE 2024
	Reduce water consumption intensity of terminal operations by 5% from the 2022 baseline by 2030	Water consumption intensity of terminal operations reduced by 54.2% in FYE 2024 compared to the baseline
Workforce Management	At least 30% women's representation at the senior management level annually	36.4% women's representation at the senior management level in FYE 2024
Health and Safety	Achieve zero workplace fatality annually	Zero workplace fatality in FYE 2024
Human and Labour Rights	Achieve zero incidents of human right violations annually	Zero incidents of human right violations in FYE 2024
Community Engagement	Increase number of passengers facilitated by 30% from the 2022 baseline by 2030	Number of passengers facilitated increased by 5.1% in FYE 2024 compared to the baseline
Corporate Governance	Achieve zero confirmed incidents of corruption annually	Zero confirmed incidents of corruption in FYE 2024

SUSTAINABILITY
STATEMENT

ECONOMIC

Material Matters: Economic Performance

Related UN SDGs:



Why Is This Important?

The Group's economic performance is vital to ensuring long-term business growth and aligns with the interests of our shareholders.

Our Approach

We are guided by our vision to be the leading public transportation service provider and strive to drive strong economic performance for all of the Group's stakeholders. The economic value generated and retained by the Group can be approximated by the revenue and profits it generates.

Our performance

Direct Economic Value

A summary of the key economic values of the Group is as follows:

RM'000	FYE 2022	FYE 2023	FYE 2024
Economic value generated (revenue and other income)	177,048	182,580	197,799
Economic value distributed:			
• Operating costs	71,160	75,318	81,858
• Employee wages and benefits	11,438	12,553	12,990
• Payment to providers of capital (dividends and financing cost)	34,725*	47,593*	55,661
• Payment to government (tax)	7,330*	10,818*	7,619
• Community investment	17	81	105
Economic value retained	52,378	36,217	39,566

Note: *Restated figures as per the Statement of Cash Flows.

Perak Transit's economic value generation is largely dependent on our ability to drive revenue and sales through the business model we have implemented as a Group. In 2024, we generated RM197.8 million in economic value from our integrated public transportation terminal operations, bus operations, petrol station operations and telecommunication tower construction operations.

Our economic value distribution includes employee wages and benefits from job creation for citizens of the country, operating costs, payments to providers of capital, and contributions to the local economy. We have a 100% local workforce, all of whom are compensated based on Malaysia's Minimum Wage Order. Regarding payments to providers of capital, we paid RM24.8 million in dividends on a quarterly basis to our shareholders and RM30.9 million to financiers. Additionally, we paid RM7.6 million to the Government of Malaysia in the form of taxes. The Group has also invested around RM105,296 to support the local community through donations and financial aid.

The Group also maintains a Finance Policy and Procedure Manual that outlines the policies and procedures for financial transactions across its businesses. The manual is followed by all employees and is reviewed and updated annually to ensure it covers all business aspects.

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

SUSTAINABILITY STATEMENT

Financial Assistance from the Government

Perak Transit treats the government as a valuable customer, providing equal care and attention. We strive to build long-term, positive relationships with the government by delivering quality services across our operational segments. The Group has received the following financial assistance in the year under review:

- Government support fund – Interim Stage Bus Support Fund: RM8.1 million
- Government support fund – Stage Bus Service Transformation programme: RM5.4 million
- Bas Perak Sejahtera (Taiping, Kuala Kangsar, Manjung and Tapah): RM1.8 million

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

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 the audited financial statements in our Annual Report. Any concerns regarding the Group's approach to tax can be raised through our whistleblowing channels.

The Group received an Approved Service Project ("ASP") status from the Ministry of Finance ("MOF") for Terminal Meru Raya (60% of the capex was allowed to be claimed from the year of assessment 2012 to the year of assessment 2017 to offset 70% of the chargeable income) and Kampar Putra Sentral (60% of the capex was allowed to be claimed from the year of assessment 2016 to the year of assessment 2020 to offset 70% of the chargeable income).

Additionally, the Group also received approval from the MOF for an investment tax allowance in relation to the development of an integrated public transportation terminal in Bidor, Perak (50% on qualifying capex can be deducted against 100% of the statutory income for the year of assessment attributable to the operation of Bidor Sentral, excluding any income derived from the letting of commercial retail outlets, advertising and promotional spaces, subject to further conditions).

The investment allowance brought forward from the prior year has been fully utilised in the current financial year, with no unutilised balance to be carried forward to the next financial year.

Material Matters: Innovation and Digitalisation

Related UN SDGs:



Why Is This Important?

Digitalisation of our business operations allows us to provide efficient, sustainable and customer-centric public transportation services. Staying up to date with the latest technological advancements ensures that our operations remain sustainable, proactive, resilient and capable of meeting the expectations of both current and future passengers.

Our 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.

Our Performance

Throughout the years, we have implemented the following digitalisation initiatives:

- Implemented a Terminal Management System that centralises all bus ticket sales into a point-of-sale system, with a bus schedule display system, real-time monitoring of buses arrivals and departures, and self-service kiosks. Additionally, the in-house PTRANS Terminal Management System was implemented at Kampar Putra Sentral and Bidor Sentral.
- Digitalisation of advertising spaces.
- Implemented Cash360 deposit machines at our petrol stations.
- Implemented a fleet operations management system for our bus operations.
- Equipped buses with Global Positioning Systems ("GPS"), closed-circuit television ("CCTV") cameras and a cashless payment system.
- Implemented a cashless payment system at our petrol stations.
- Digitisation of physical documents used by the Group.
- Paperless transactions.
- Online banking and cashless services.
- Collaboration with edotco Malaysia Sdn Bhd on cutting-edge enabler services, providing telecommunication solutions within our properties.
- Implemented applications that provide passengers with real-time bus locations and schedules.

SUSTAINABILITY
STATEMENT

Material Matters: Customer Satisfaction

Related UN SDGs:



Why Is This Important?

Customers are key stakeholders, as we not only serve passengers but also support the daily lives of people across various states, while closely collaborating with governments to ensure smooth and reliable public transportation operations.

Our Approach

Customer Feedback

The utilisation of our customer service feedback form facilitates two-way communication between our customers and Perak Transit, where identified gaps are viewed as opportunities for improvement, rather than faults. After obtaining feedback, all corrective and preventive action plans are thoroughly investigated and documented to ensure our services are continuously benchmarked against both internal capacities and external expectations.

Customer Privacy

Since the nature of our business requires personal information from our customers, strict procedures and privacy policies are in place for both Perak Transit and our third-party service providers, addressing all necessary requirements related to managing inquiries, handling services and protecting data.

Our Performance

Customer Feedback

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

Business Segment	Summary of the Survey
Integrated public transportation terminal	41% of the respondents rated 5 out of 5 for overall terminal service.
Bus	52% of the respondents rated 'Good' for our bus operations.
Petrol station	61% of the respondents are highly satisfied, while 39% are satisfied with the products and services offered at our petrol stations.
Telecommunication tower construction	100% of the respondents are very satisfied with our project delivery.

Perak Transit is dedicated to delivering high-quality products and services to improve customer satisfaction, which leads to higher retention rates and sales. Perak Transit will continue to strive for higher levels of customer satisfaction in the future.

Customer Privacy

The Group enforces privacy policies and strict procedures for its third-party service providers to ensure that all customer information and privacy are well protected and safeguarded. The Group has obtained Personal Data Protection licenses for two (2) petrol stations under its operation and signed a Personal Data Protection Act 2010 agreement during the supplier registration process for its telecommunication tower construction operations. In FYE 2024, there were zero substantiated complaints concerning breaches of customer privacy and loss of customer data.

	FYE 2022	FYE 2023	FYE 2024
Number of substantiated complaints concerning breaches of customer privacy and loss of customer data	0	0	0

SUSTAINABILITY STATEMENT

Material Matters: Supply Chain Management

Related UN SDGs:



Why Is This Important?

Procurement and supply chain management are crucial for us, as we rely on a significant number of services in our operations and aim to ensure these services are sourced sustainably throughout our entire supply chain.

Our Approach

Supporting Local Suppliers

Our sustainable procurement practices are creating positive impacts on the local supply chain in Malaysia as we prioritise local suppliers, which not only contribute positively to the local economy but also reduce our carbon footprint.

Supplier Screening and Assessment

The Group believes in upstream integrated supply chain management, with an emphasis on quality and logistics control. We encourage fair and open competition with the intention of developing long-term relationships with our suppliers based on mutual trust. Additionally, we promote economic inclusion when selecting our suppliers by considering factors such as gender distribution and other socioeconomic factors.

The Group has established a New Supplier Policy with guidelines for reviewing suppliers to ensure their services align with our business objectives. All suppliers must go through the supplier selection review checklist and meet the benchmark requirements before being onboarded by the Group. Factors reviewed during the supplier assessment include:

Competitive pricing

Product quality

Delivery efficiency

Payment terms

After sales service



We recognise 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, which may lead to long-term damage to our ecosystems.

For our bus operations, we have adopted a vendor selection process that screens waste suppliers for compliance with waste management regulations from the Department of Environment (“DOE”) Malaysia. This includes suppliers involved in managing waste such as oil, batteries and tyres. 100% of our waste suppliers under our bus operations are assessed based on environmental criteria. A prerequisite for being selected for our vendor process is holding a valid license from the DOE. Site visits to our suppliers’ premises will also be conducted when necessary. Regular engagements are maintained with suppliers to allow the Group to propose improvements and implement sustainability measures when needed.

SUSTAINABILITY
STATEMENT

Our Performance

Supporting Local Suppliers

In FYE 2024, the Group worked with 114 suppliers, 100% of whom were locally sourced.

	FYE 2022	FYE 2023	FYE 2024
Proportion of local suppliers	100%	100%	100%

**Supplier Screening and Assessment**

To improve sustainability across the supply chain, the Group prefers suppliers who allow the return of expired goods for recycling purposes at our petrol stations. The practice of allowing expired items to be returned to suppliers for recycling or proper disposal is gaining traction, particularly for items packaged in glass, aluminium or polyethylene terephthalate ("PET") materials. This process not only helps in managing waste but also contributes to sustainable supply chain practices. Allowing suppliers to take back expired goods helps reduce the cost of waste disposal. Instead of discarding the expired products, the station can return them to the supplier, reducing landfill contributions. Suppliers who accept expired items and recycle the packaging (whether glass, aluminium or PET) can repurpose the materials into new products. This reduces the need for virgin materials in production and lowers the environmental impact of producing new packaging. It also aligns with circular economy principles by closing the loop on packaging waste.

The Group also screens all suppliers for telecommunication tower construction operations to verify their activities and ensure compliance with construction requirements, with at least a CIDB G1 grade, ensuring the health and safety of our operations. Environmental awareness letters are sent to our suppliers to promote the importance of environmental well-being. To assess the health and safety standards of our suppliers, our team conducts site inspections and visits at suppliers' workplaces and discusses follow-up improvements to ensure the high standards are upheld.

The Group also ensures that all suppliers it works with are aligned with the Group's Environmental, Social and Governance ("ESG") commitments and goals to minimise any negative impacts across our value chain.

New Tenants Framework

Perak Transit has put in place a New Tenants Framework that ensures strategic sourcing, which will 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;
- Establish standards for reviewing and selecting the tenants that meet our strict requirements;
- Properly evaluate the risks and opportunities of our tenancy process; and
- Assess the risks of our selected tenants with respect to the Terms and Conditions and uninterrupted supply of their services to our terminals and our customers.

To ensure our tenants' performances is monitored and maintained, the Group conducts regular inspections to ensure tenants' conformity with requirements.

SUSTAINABILITY STATEMENT

ENVIRONMENT

Material Matters: Natural Resource Management

Related UN SDGs:



Why Is This Important?

Given the nature of our public transportation services, we recognise our dependence on resources such as fuel, water and materials. We must manage energy, water and materials efficiently to reduce our carbon footprint and environmental impact while also mitigating operational risks associated with climate change.

Our Approach

Environmental Impact

Efficient bus, terminal, petrol station and telecommunication tower operations are essential for the economic development of their surrounding areas. They reduce the use of personal vehicles, which in turn lowers overall emissions, benefiting the environment. These operations also provide essential connectivity among people. However, the related bus operations, terminal management, petrol stations and the construction of telecommunication towers can result in several negative environmental impacts. To minimise these impacts, effective management of natural resources used in our business operations is crucial. Perak Transit actively works with a long-term perspective to minimise the environmental impact of its operations.

Environmental Conservation Policy

The Group recognises the potential environmental impact of its integrated public transportation terminal operations, bus operations, petrol station operations and telecommunication towers construction operations. To promote environmental sustainability, the Group has committed to developing an Environmental Conservation Policy to mitigate and minimise negative environmental impacts, 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 among stakeholders on key environmental issues, ensuring effective implementation of key ESG 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 to be 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 assessing more favourably vendors or suppliers who demonstrate better responsible management of their environmental footprint;
- Enhancing staff environmental awareness by providing trainings on the potential environmental impacts arising from our operations;
- Ensuring compliance with all applicable local environmental by-laws and other relevant requirements; and
- Utilising energy-efficient bulbs and lightings, such as LED lighting at terminals and replacing malfunctioning lights with mini solar-powered LEDs.

SUSTAINABILITY STATEMENT

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 for our business operations as a result of climate change, including the climate risks and opportunities.

Extreme weather events associated with climate change, such as floods 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, increasing the hazards of short circuits. The construction of telecommunication towers is also vulnerable to extreme weather conditions, which may cause delays in construction work due to safety hazards, impacting the Group's operations and profitability.

To preserve the environmental landscape of our telecommunication tower sites, the Group practices sustainable construction methods, such as building culverts and drains to divert rainwater and prevent flooding, as well as performing slope protection to avoid soil erosion.

On the other hand, there are significant opportunities in the transition to a low-carbon economy. Early adoption of green technologies and initiatives, such as electric vehicles and renewable energy systems, can help position us as a leading green public transportation service provider, enhancing our reputation.

Our Board has implemented policies to assess and manage climate-related risks and opportunities in the Group and has also established strong oversight and governance leadership for our team. The Group targets a 5% reduction in Scope 1 and Scope 2 GHG emission intensity 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 adopting low-carbon technologies.

Our buses, on average, have a total lifespan of 15 years and the replacement cost per bus is approximately RM500,000 per standard-sized bus. As our buses age, their performance may decline, leading to inefficiencies. The significant cost and environmental impact of replacing our bus fleet must be considered. In FYE 2024, we had a total of 177 vehicles.

We adopt a regular Repair and Maintenance ("R&M") Policy and control measures for our buses to improve their energy efficiency and extend their average lifespan. We conduct scheduled maintenance for our bus fleet 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 scheduled repairs, we are able to:

- maximise the 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 costs.

Energy and Emission Management

The Group has high energy consumption to power our operations, such as the fuels used to operate our buses and the electricity consumed in our terminals and petrol stations. The cost of energy and its associated emissions are correlated with overall passenger and traffic footfall. Hence, we have committed to developing 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 setting targets to reduce its impact;
- Lowering its overall carbon footprint; and
- Regularly evaluating the sourcing of alternative fuels or energy sources for its fleet and other equipment if proven to be beneficial to our business and/or environment.

SUSTAINABILITY STATEMENT

Waste Management

We recognise that improper waste management can have negative impacts on the environment, such as pollution and contamination of the air, water and land, which may lead to health hazards. Perak Transit has committed to developing a Waste Management Policy and is dedicated 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;
- Reducing disposables by promoting reusable utensils and cups in food and beverage areas; and
- Ensuring the responsible storage and disposal of all relevant waste.

Waste generated from the Group's operations is 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

Water Management

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

- Transparently report its water consumption;
- Manage and conserve water efficiently; and
- Work with government agencies and stakeholders to promote more effective water governance and stewardship.

The Group obtains its 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 used for domestic purposes in our day-to-day business operations. For telecommunication tower construction operations, subcontractors use water for construction activities.

Our daily operations do not produce wastewater; therefore, the water is discharged without treatment, as it is not contaminated with chemicals.

Water Management Initiatives

As part of our water management initiatives, we regularly train our staff to identify any leaks and repair them, if necessary, and to ensure that all water taps are properly turned off when not in use. Our station crew is trained to perform scheduled hourly checks on all manual water taps to ensure that they are properly turned off when not in use. Posters on efficient water usage are also displayed across all our premises to remind both our staff and the general public to avoid water wastage. Additionally, the installation of flow restrictors in our terminals helps minimise water wastage, which also aligns with our cost-saving initiatives.

We have also replaced the faucets in our terminals with push-button faucets to save water. As of FYE 2024, all faucets at Kampar Putra Sentral and Terminal Meru Raya have been converted to push-button faucets.

In addition to the existing initiatives, the Group plans to implement the following water conservation initiatives in the near future:

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

SUSTAINABILITY STATEMENT

Our Performance

Environmental Impact

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

- Exhaust of particles, in particular CO₂, from the buses' engines;
- Waste generated from buses, such as empty batteries, engine oil, lubricating oil, hydraulic oil and worn-out tyres;
- Wastes generated from our terminals, petrol stations and telecommunication tower constructions;
- Noise produced by bus operations used to transport passengers;
- Road traffic to and from the terminals;
- Consumption of a vast amount of energy to provide lighting to terminals and petrol stations; and
- Habitat disturbance from land clearing for the 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 2024, we recorded zero substantiated incidents of non-compliance with environmental laws and regulations.

Energy and Emission Management

Optimising Our Bus Fleets and R&M

	FYE 2022	FYE 2023	FYE 2024
Stage bus	110	114	141
Express bus	36	32	30
Perak Hop-On Hop-Off bus	5	5	5
Mobile Vaccination bus	1	1	1
Total	152	152	177

The type of engines used in our fleet of buses is carefully selected to enhance energy performance and reduce overall carbon emissions, compared to standard bus engines. The Group has acquired 55 Euro 5 diesel buses, which produce significantly lower carbon emissions compared to Euro 3 diesel buses. This supports the company's sustainability efforts.

We are dedicated to continuously expanding and enhancing our services to encourage the public to utilise public transportation, with the aim to decreasing the number of vehicles on the road, thereby leading to a reduction in carbon emissions.

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 generation system, with a total installed capacity of 422 kWp, was installed at all petrol stations in FYE 2023, as well as at Terminal Meru Raya and Kampar Putra Sentral in FYE 2024. From the installation of the panels, the Group is capable of achieving the following benefits:

- Zero capital expenditure for the Group;
- Total estimated savings of RM3.5 million in the next 25 years;
- The ability to sell excess energy generated back to the grid;
- A carbon dioxide offset of 241.5 tonnes;
- A reduction in reliance and dependency on conventional power sources; and
- Promotion of the Group's commitment to harvesting clean energy.

The Group has also utilised solar-powered aviation lights for the construction of telecommunication towers. The Group also plans to install solar photovoltaic systems at Bidor Sentral, the workshop and the headquarters.

The Group will continue to assess the potential for expanding solar panel usage and exploring alternative innovative technologies to become more sustainable. Our priority in energy management remains focused on reducing electricity waste and utilising more renewable energy.

SUSTAINABILITY STATEMENT

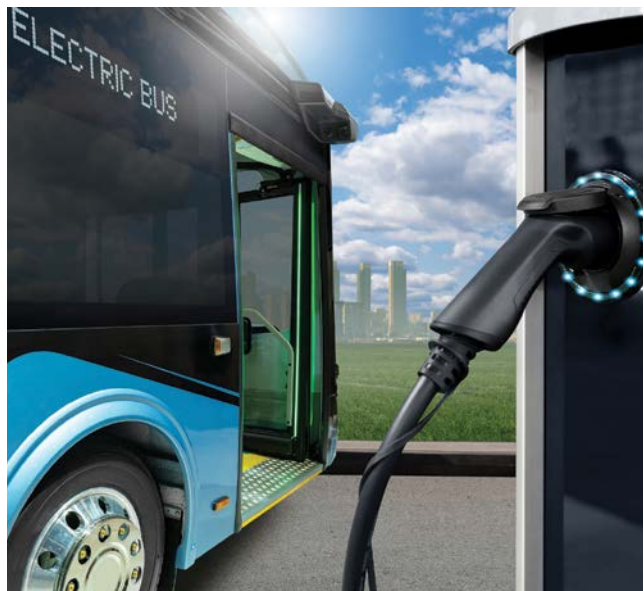
Energy Conservation via Replacing Conventional and Malfunctioning Lighting with LED Lighting and Green Initiatives

We are currently replacing conventional lighting with energy-efficient LED alternatives in our terminals, bus operations and petrol stations to promote energy conservation. In FYE 2024, traditional lighting in both Terminal Meru Raya and Kampar Putra Sentral has 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. Additionally, we have installed LED spotlights in our petrol station compounds to ensure adequate brightness. We believe these steps will reduce our energy consumption and make better use of the naturally renewable energy our nation is blessed with.

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

- Wisely adopting air conditioning units in all our premises to reduce the emissions to the surrounding environment;
- Setting the air-conditioning temperature at 25°C in our offices;
- Replacing malfunctioning air conditioners with wall fans in storage rooms to reduce electricity usage;
- Implementing smart technology to switch lights on and off at pre-determined times;
- Using sensors in offices and buildings to automatically adjust lighting and air conditioning when rooms are empty;
- Conducting regular inspections and upgrading less energy-efficient equipment;
- Optimising office space and encouraging room sharing to save electricity;
- Utilising seven (7) air handling units for air conditioning and purification, with regular maintenance and rotation;
- Using generators (gensets) during construction of telecommunication towers as an efficient means of providing electricity without relying on the power grid; and
- Planning to upgrade the lighting in terminal parking lots with motion sensor functionality.

Furthermore, the Group is exploring opportunities to transition its terminals into green buildings, which could attract more eco-conscious passengers and bus operators, increasing foot traffic and expanding our bus service offerings.



Acquisition of Electric Buses and Installation of Electric Vehicle Charging Stations

The Group is in the process of finalising the acquisition of electric buses as pilot projects to add to our portfolio. We aim to effectively transition our operations to become more sustainable. Moreover, the Group is also planning to install electric vehicle charging stations, which not only increase our provision of services and potentially generate additional revenue, but also indirectly attract and encourage the use of electric vehicles among the general public. The strategic decision to acquire electric buses and install electric vehicle charging stations will help offset the carbon dioxide emissions produced by commercial buses and vehicles.

SUSTAINABILITY
STATEMENTEnergy Performance

In FYE 2024, we have a total of 177 buses, and our buses are powered by direct energy in the form of diesel for their operations.

We operate three (3) bus terminals, namely Terminal Meru Raya, Kampar Putra Sentral and Bidor Sentral. Our terminals, petrol stations and offices use indirect energy in the form of electricity purchased from Tenaga Nasional Berhad.

The Group recorded a total energy consumption of 119,582,529 MJ in FYE 2024, marking a 7.1% increase from FYE 2023 due to higher terminal activities. The significant increase in the use of solar energy, totalling 1,250,230 MJ in FYE 2024, helps balance the rise in overall energy consumption.

Energy Consumption	Unit	FYE 2022	FYE 2023	FYE 2024
Diesel Consumption				
Total Diesel Consumption	MJ	98,732,018	101,945,373	104,556,096
Electricity Consumption				
Electricity Consumption				
Integrated Public Transportation Terminal Operations	MJ	4,649,123	8,533,202	12,825,673
Petrol Station Operations	MJ	806,515	763,765	563,803
Bus Operations	MJ	126,299	135,709	130,140
Others	MJ	229,212	245,938	256,586
Solar Energy Consumption	MJ	-	12,992	1,250,230
Total Electricity Consumption	MJ	5,811,149	9,691,607	15,026,432
Total Energy Consumption	MJ	104,543,167	111,636,980	119,582,529
Solar Energy Sold	MJ	-	5,321	97,816

Indirect Energy Consumption

The Group has decided to track Scope 3 emissions in FYE 2024, focusing on Category 6: Business Travel and Category 7: Employee Commuting, in accordance with the GHG Protocol.

	Unit	FYE 2024
Category 6: Business Travel by Employees	litre	2,098
Category 7: Employee Commute to Work	litre	132,231
Total	litre	134,329

SUSTAINABILITY STATEMENT

Energy Intensity – Fuel Efficiency and Electrical Efficiency

Total energy consumption is a poor indicator of energy efficiency, as the number of bus routes and the 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 kilometre 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 14.8 MJ per km in FYE 2024 for our bus operations, a 3.9% decrease from FYE 2023. The transition from Euro 3 diesel buses to Euro 5 diesel buses has improved the amount of energy consumed per kilometre travelled, reducing the energy intensity.

	Unit	FYE 2022	FYE 2023	FYE 2024
Total distance travelled by all buses	km	6,382,819	6,620,152	7,047,657
Energy intensity by distance travelled	MJ per km	15.5*	15.4	14.8

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.

The Group has recorded an energy intensity of 26.1 MJ per sf in FYE 2024 for our terminal operations, a 40.3% decrease from FYE 2023. Despite an increase in overall electricity consumption, electricity intensity decreased, supported by the opening of our third terminal, Bidor Sentral, which expanded our operational capacity. The terminal is also equipped with energy-efficient LED lights to optimise energy use. Additionally, the use of solar energy from installed panels and the regular checking and maintenance of air conditioning have improved energy efficiency in each of the leased areas.

	Unit	FYE 2022	FYE 2023	FYE 2024
Terminal Meru Raya				
Electricity consumption	MJ	3,966,836	5,569,535	5,265,623
Leased area	sf	38,862	44,389	46,147
Energy intensity	MJ per sf	102.1*	125.5	114.1
Kampar Putra Sentral				
Electricity consumption	MJ	682,286	2,963,668	6,328,609
Leased area	sf	99,607	150,748	339,091
Energy intensity	MJ per sf	6.8*	19.7	18.7
Bidor Sentral				
Electricity consumption	MJ	-	-	1,231,441
Leased area	sf	-	-	105,608
Energy Intensity	MJ per sf	-	-	11.7
Overall Energy Intensity of Terminal Operations	MJ per sf	33.6	43.7	26.1

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

SUSTAINABILITY STATEMENT

Carbon Emissions

Consuming non-renewable fuels for our bus operations is typically the main contributor to direct Scope 1 Greenhouse Gas (“GHG”) emissions. Consuming purchased electricity, heating, cooling and steam contributes to the organisation’s indirect Scope 2 GHG emissions. Carbon emissions from sources outside of the Group’s control or assets owned contribute to indirect Scope 3 GHG emissions.

The Group has recorded a total of 9,950 tCO₂ in Scope 1, 2 and 3 GHG emissions for FYE 2024, representing a 12.9% increase from FYE 2023, largely due to the inclusion of Scope 3 in FYE 2024. The Group also recorded Scope 3 GHG emissions of 282 tCO₂ in FYE 2024. The constant increase in Scope 1 and Scope 2, emissions is due to the expansion of operations. The Group will continue to implement more energy-efficient innovations or strategies to balance the rising GHG emissions caused by the increase in operations.

Since Scope 3 emissions were only recorded in FYE 2024, there is no clear indication of whether they have increased or decreased compared to previous years. Nonetheless, the Group will continue to seek suitable partners to collaborate on sustainable efforts.

Some of the initiatives taken to reduce Scope 1 and Scope 2 GHG emissions include:

- Assessing the potential of expanding solar capacity or enhancing the efficiency of existing installations;
- Expanding areas where air conditioning temperature control is implemented to save energy; and
- Installing high-quality, energy-efficient motion-activated light sensors.

	Unit	FYE 2022	FYE 2023	FYE 2024
Scope 1 ¹	tCO ₂	7,015	7,243	7,429
Scope 2 ²	tCO ₂	944	1,573	2,239
Scope 3 ³	tCO ₂	-	-	282
Total Scope 1, 2 and 3 Emission	tCO ₂	7,959	8,816	9,950

Notes:

1. The emission factor of 2.7 kg CO₂ per litre is obtained from The Carbon Trust’s Energy and Carbon Conversion 2009 Update.
2. The emission factor of 0.6 tCO₂ per MWh is obtained from the 2017 CDM Electricity Baseline for Malaysia.
3. The emission factor of 2.1 kg tCO₂ per litre is obtained from The Carbon Trust’s Energy and Carbon Conversion 2009 Update.

The Group aims to reduce its Scope 1 GHG emission intensity by 5% from the 2022 baseline by 2030. In FYE 2024, the Group recorded a Scope 1 intensity of 1.05 kg CO₂ per km in for its bus operations, a 4.5% and 3.7% reduction from FYE 2022 and FYE 2023, respectively.

Scope 1 Intensity	Unit	FYE 2022	FYE 2023	FYE 2024
Scope 1 Intensity by distance travelled	kg CO ₂ per km	1.10	1.09	1.05

The Group aims to reduce its Scope 2 GHG emission intensity from its terminal operations by 5% from the 2022 baseline by 2030. In FYE 2024, the Group recorded a Scope 2 intensity of 4.2 kg CO₂ per sf for its terminal operations, a 23.6% and 40.8% decrease from FYE 2022 and FYE 2023, respectively.

Scope 2 Intensity of Terminal Operations	Unit	FYE 2022	FYE 2023	FYE 2024
Terminal Meru Raya	kg CO ₂ per sf	16.6	20.4	18.5
Kampar Putra Sentral	kg CO ₂ per sf	1.1	3.2	3.0
Bidor Sentral	kg CO ₂ per sf	-	-	1.9
Overall Scope 2 Intensity of Terminal Operations	kg CO ₂ per sf	5.5	7.1	4.2

SUSTAINABILITY STATEMENT

Waste Management

Scheduled Waste (Hazardous Waste)

Petrol Station Operations

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

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

Bus Operations

Oil and Chemicals

The Group uses a significant volume of oil and chemicals in our buses for lubrication and as an energy transfer medium. We have a policy to dispose of engine oil, lubricating oil and hydraulic oil through 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 from our buses are treated and stored according to the DOE guidelines before being disposed of by the appointed waste disposal contractor.

	FYE 2022	FYE 2023	FYE 2024
Oil Disposed (kg)	5,400	6,300	10,800

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;
- Reduced environmental contamination; and
- Increased machine reliability.

Batteries

For waste involving batteries, the Group will dispose of the batteries to the appointed licensed recycling contractor for every 10 units (approximately). A total of 101 batteries were disposed of for recycling purposes in the year 2024. The new Euro 5 diesel buses purchased in FYE 2024 have better performance and lower emissions compared to the Euro 3 diesel buses. The new buses and their improved performance reduced the number of batteries required for recycling in FYE 2024.

	FYE 2022	FYE 2023	FYE 2024
Batteries Recycled (units)	126	117	101

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 tyres that replaces the tread on worn tires. It is applied to the casings of spent tyres 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 that of new tyres without compromising on its safety and quality. We have also appointed an external workshop to patch tyres to save on tyre consumption. Worn-out tyres are then disposed of through an appointed waste disposal contractor.

Key advantages of retreading our tyres:

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

	FYE 2022	FYE 2023	FYE 2024
New Tyres Purchased (units)	150	435	307
Tyres Retreaded (units)	317	640	785
Tyres Disposed (units)	129	449	275

SUSTAINABILITY STATEMENT

Non-Scheduled Waste (Non-Hazardous Waste)

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

Integrated Public Transportation Terminal and Petrol Station Operations

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



Telecommunication Tower Construction Operations

The construction of telecommunication towers generates waste, such as soil fill from excavation works. This soil fill is reused to backfill and construct access roads.

Our Waste Performance

The Group aims to achieve a waste diversion rate of 60% annually. In FYE 2024, the Group recorded a total of 14.0 tonnes of waste directed to disposal and a waste diversion rate of 77.4%. This means that not all waste was disposed of; instead, it was directed toward the 4R efforts. We will continue our 4R efforts to reduce the waste sent to landfills.

	Unit	FYE 2022*	FYE 2023	FYE 2024
Waste Generated				
Scheduled waste	tonnes	-	73.0	62.0
Total waste generated	tonnes	-	73.0	62.0
Waste Diverted from Disposal				
Scheduled waste	tonnes	-	47.6	48.0
Waste diverted from disposal	tonnes	-	47.6	48.0
Waste Directed to Disposal				
Scheduled waste	tonnes	-	25.4	14.0
Waste directed to disposal	tonnes	-	25.4	14.0
Waste Diversion Rate	%	-	65.3	77.4

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

SUSTAINABILITY STATEMENT

Water Management

Water Performance

The Group has recorded a total water consumption of 69.2 megalitre in FYE 2024, a 19.1% increase from FYE 2023 due to higher terminal activities.

Water Consumption	Unit	FYE 2022	FYE 2023	FYE 2024
Integrated Public Transportation Terminal Operations	megalitre	34.9	48.5	56.6
Petrol Station Operations	megalitre	7.1	7.3	10.2
Bus Operations	megalitre	2.0	2.0	2.0
Others	megalitre	0.3	0.4	0.4
Total Water Consumption	megalitre	44.3*	58.1	69.2

Notes:

Water consumption = water withdrawal

*Restated to megalitre unit

Water Consumption Intensity – Integrated Public Transportation Terminal Operations

The Group has established a target for water consumption intensity in relation to our terminal operations, as they are the largest contributor to the Group with the most significant impact. The Group aims to reduce the water consumption intensity of our terminal operations by 5% from the 2022 baseline by 2030. In FYE 2024, the Group recorded a water consumption intensity of 115.4 litre per sf, representing a 54.2% and 53.5% reduction from FYE 2022 and FYE 2023, respectively, for our terminal operations.

The improvement in water consumption intensity, despite the increase in total water consumption, is due to the increased net leased area for Kampar Putra Sentral and the inclusion of Bidor Sentral. Kampar Putra Sentral doubled its water consumption (6.1 megalitre) in FYE 2023, but its leased area also increased by approximately 125% (188,343 sf). Meanwhile, Bidor Sentral did not consume any water. Both of these factors contributed to the reduction in overall water intensity across all terminals.

	Unit	FYE 2022	FYE 2023	FYE 2024
Terminal Meru Raya	litre per sf	856.5*	955.1	964.6
Kampar Putra Sentral	litre per sf	16.4*	40.2	35.7
Overall Water Consumption Intensity of Terminal Operations	litre per sf	252.2	248.3	115.4

Note: *Restated to litre per sf of leased area unit

SUSTAINABILITY
STATEMENT

SOCIAL

Material Matters: Workforce Management

Related UN SDGs:



Why Is This Important?

Effective workforce management is crucial for maintaining high employee morale and productivity, both of which are essential for delivering quality services to our customers.

Our Approach

Perak Transit appreciates the contribution of our employees to the organisation and, as such, views them as the Group's greatest asset, placing high importance on their well-being. As part of the Group's Human Resource Policy, we have adopted a comprehensive set of policies related 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, the Employees Provident Fund Act 1991, the Employees Social Security Act 1969, the Income Tax Act 1967 and the Employment Insurance System Act 2017.

1

Staff Benefits

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

2

Training and Education

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

3

Performance Review

The Group's employees who have been employed for over a year receive regular performance and career development reviews, which assess employees' key performance indicators ("KPIs"), attendance, misconduct records, 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 and excel in their careers, which benefits the Group as a whole. Perak Transit strives to provide performance and career development reviews to all of its employees.

4

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 of achieving at least 30% women's participation in the boardroom and senior management team. In FYE 2024, we achieved 36.4% women's representation at the senior management level (FYE 2023: 31.8%). We strive to promote diversity by implementing equal and transparent recruitment process to ensure that no employee is discriminated against in any way and is treated equally with respect and dignity, regardless of race, religion, age or gender.

SUSTAINABILITY STATEMENT

Our Performance

Staff Benefits

The Group strives to provide a safe and comfortable work environment for all our employees, uphold their well-being and ensure job satisfaction. In addition, the Group offers an attractive remuneration package to all employees to reward them for their contributions to the Group. Feedback from our employees is taken 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 benefits 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

Parental Leave

In FYE 2024, a total of 357 employees were entitled to parental leave. Four of our employees took parental leave, with a return rate of 75.0% in FYE 2024 (FYE 2023: 83.3%).

Parental Leave	FYE 2022	FYE 2023	FYE 2024
Number of employees entitled to parental leave:			
Female	77	91	111
Male	0	253	246
Total	77	344	357
Number of employees who took parental leave:			
Female	0	1	3
Male	0	5	1
Total	0	6	4
Number of employees who returned to work after parental leave ended:			
Female	0	1	2
Male	0	4	1
Total	0	5	3
Number of employees who were still employed 12 months after returning to work following the end of their parental leave:			
Female	3	0	1
Male	0	0	3
Total	3	0	4
Rate of return to work for employees who took parental leave:			
Female	-	100.0%	66.7%
Male	-	80.0%	100.0%
Total	-	83.3%	75.0%
Retention rate of employees who were still employed 12 months after returning to work following the end of their parental leave:			
Female	100.0%	-	100.0%
Male	-	-	75.0%
Total	100.0%	-	80.0%

SUSTAINABILITY
STATEMENT**Training and Education**

In FYE 2024, the Group conducted various training and education programmes for all employees across all genders and employee categories, with a total of 1,250 training hours (FYE 2023: 1,256.5 training hours) and an average of 4.8 training hours per employee (FYE 2023: 4.7 training hours per employee).

The list of training programmes the Group provided for our employees includes, among others:

- Employee Engagement: Elevating Employee Experience at Work
- Talent Acquisition: Creating Your Organisation's Strategy
- Effective Contract Preparation and Management
- Learning and Development: Developing Organisational Talent
- FMM Occupational Safety and Health Coordinator (OSH-C)
- Bomba Training
- Safe Driving Tips
- King Long Bus Maintenance and Technical Course
- Genius POS System for Petrol Stations



Annual Product Quality Training



Customer Services & PDP Refresher



Bomba Training



Driving Skills & Road Safety



Driving Skills & Road Safety

Total training hours:

	FYE 2022	FYE 2023	FYE 2024
Total Training Hours	1,462.1	1,256.5	1,250.0
Breakdown by employee category:			
General Worker	1,089.2	953.3	725.5
Middle Management	295.9	134.8	331.0
Senior Management	77.0	168.5	193.5

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

SUSTAINABILITY STATEMENT

Average training hours by gender and employee category:

	FYE 2022	FYE 2023	FYE 2024
Average Training Hours per Employee	5.602	4.706	4.789
Breakdown by gender:			
Female	16.130	13.131	11.388
Male	3.107	2.249	2.904
Breakdown by employee category:			
General Worker	5.043	4.790	3.683
Middle Management	11.381	2.929	7.881
Senior Management	4.053	7.659	8.795

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

Performance Review

In FYE 2024, 75% of our employees received regular performance and career development reviews (FYE 2023: 79%).

Percentage of employees who received performance review	FYE 2022	FYE 2023	FYE 2024
Total employees who received performance review	70%	79%	75%
By gender:			
Female	46%	61%	59%
Male	75%	84%	80%
By employee category:			
General worker	72%	81%	79%
Middle Management	73%	63%	71%
Senior Management	42%	95%	55%

SUSTAINABILITY
STATEMENT**Staff Diversity**

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 2022	FYE 2023	FYE 2024
General worker				
Female	Headcount	33	25	25
Male	Headcount	183	174	172
Middle Management				
Female	Headcount	10	27	25
Male	Headcount	16	19	17
Senior Management				
Female	Headcount	7	7	8
Male	Headcount	12	15	14
Total Female	Headcount	50	59	58
	%	19.2	22.1	22.2
Total Male	Headcount	211	208	203
	%	80.8	77.9	77.8

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

Composition of Employees by Age Group:

Employee Category by Age Group	Unit	FYE 2022	FYE 2023	FYE 2024
General worker				
< 30	Headcount	49	33	35
31-50	Headcount	99	96	91
> 50	Headcount	68	70	71
Middle Management				
< 30	Headcount	8	13	16
31-50	Headcount	14	24	22
> 50	Headcount	4	9	4
Senior Management				
< 30	Headcount	1	3	4
31-50	Headcount	7	6	6
> 50	Headcount	11	13	12
Total < 30	Headcount	58	49	55
	%	22.2	18.3	21.1
Total 31-50	Headcount	120	126	119
	%	46.0	47.2	45.6
Total > 50	Headcount	83	92	87
	%	31.8	34.5	33.3

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

SUSTAINABILITY STATEMENT

Composition of Employees by Employee Type:

Employee Type	Unit	FYE 2022	FYE 2023	FYE 2024
Breakdown by Gender				
Permanent Employees:				
Female	Headcount	50	51	49
Male	Headcount	174	177	164
Temporary Employees:				
Female	Headcount	1	8	9
Male	Headcount	36	31	39
Breakdown by Region				
Permanent Employees:				
Local	Headcount	224	228	213
Foreign	Headcount	0	0	0
Temporary Employees:				
Local	Headcount	37	39	48
Foreign	Headcount	0	0	0

Composition of New Employee Hires:

New Employee Hires Breakdown	Unit	FYE 2022	FYE 2023	FYE 2024
Total New Hires	Headcount	96	99	105
New Hires Rate	%	36.4	37.5	39.8
Breakdown by Gender:				
Female	Headcount	32	42	41
	%	33.3	42.4	39.0
Male	Headcount	64	57	64
	%	66.7	57.6	61.0
Breakdown by Age Group:				
<30 years	Headcount	51	33	60
	%	53.1	33.3	57.1
30-50 years	Headcount	32	31	32
	%	33.3	31.3	30.5
>50 years	Headcount	13	35	13
	%	13.6	35.4	12.4
Breakdown by Region:				
Local	Headcount	96	99	105
	%	100.0	100.0	100.0
Foreign	Headcount	0	0	0
	%	0.0	0.0	0.0

Composition of Employee Turnover:

Employee Turnover Breakdown	Unit	FYE 2022	FYE 2023	FYE 2024
Total Employee Turnover	Headcount	101	100	111
Employee Turnover Rate	%	38.3	37.9	42.0
Breakdown by gender:				
Female	Headcount	33	33	42
	%	32.7	33.0	37.8
Male	Headcount	68	67	69
	%	67.3	67.0	62.2
Breakdown by Age Group:				
<30 years	Headcount	41	36	56
	%	40.6	36.0	50.5
30-50 years	Headcount	39	38	35
	%	38.6	38.0	31.5
>50 years	Headcount	21	26	20
	%	20.8	26.0	18.0
Breakdown by Employee Category:				
General Employee	Headcount	76	77	84
	%	75.2	77.0	75.7
Middle Management	Headcount	24	22	24
	%	23.8	22.0	21.6
Senior Management	Headcount	1	1	3
	%	1.0	1.0	2.7

SUSTAINABILITY
STATEMENT***Ratio of Basic Salary of Women to Men***

Employee Category	Unit	FYE 2024
General Worker	Ratio	1.0
Middle Management	Ratio	1.0
Senior Management	Ratio	0.6

The Group has begun collecting data on the ratio of basic salary of women to men starting from FYE 2024. In FYE 2024, the ratio of basic salary of women to men was 1.0 for General Worker, 1.0 for Middle Management and 0.6 for Senior Management. The Group remains committed to maintaining transparency in reporting the remuneration of both women and men.

Annual Total Compensation Ratio

Annual Total Compensation Ratio	Unit	FYE 2024
Ratio of the annual total compensation of highest-paid individual to all employees (excluding the highest-paid individual)	Ratio	20.1
Percentage increase in annual total compensation for the organisation's highest paid individual	% increase	5.0
Median Percentage increase in annual total compensation for all of the organisation's employee excluding the highest-paid individual	% increase	6.6
Change in annual total compensation ratio	Ratio	0.8

The Group has also begun collecting data on the annual total compensation ratio starting from FYE 2024. In FYE 2024, the ratio of the annual total compensation of highest-paid individual to all employees (excluding the highest-paid individual) was 20.1. The change in annual total compensation ratio was 0.8. The Group remains committed to maintaining transparency in reporting the annual compensation ratio.

Socioeconomic Compliance and Non-Discrimination

In FYE 2024, the Group did not incur any fines or non-monetary sanctions related to socioeconomic non-compliance. There were no reported incidents of discrimination based on race, religion, age or gender, as Perak Transit is committed to being an equal opportunity employer, providing equal and non-discriminatory treatment to all job applicants and employees, regardless of race, religion, age or gender.

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

SUSTAINABILITY STATEMENT

Material Matters: Health and Safety

Related UN SDGs:



Why Is This Important?

Ensuring health and safety is crucial to prevent accidents and illnesses, reduce downtime and maintain service reliability.

Our Approach

Perak Transit places emphasis on the safety of its vehicles, the care of its passengers, and the well-being of 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 affected by its operations. Its objective is to minimise the risk of injury and ill health among employees and passengers. Our OHS Policy also references the Land Public Transport Commission’s Industry Code of Conduct on Safety for Bus Operators.

Our Performance

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

Occupational Health and Safety (“OHS”) Policy

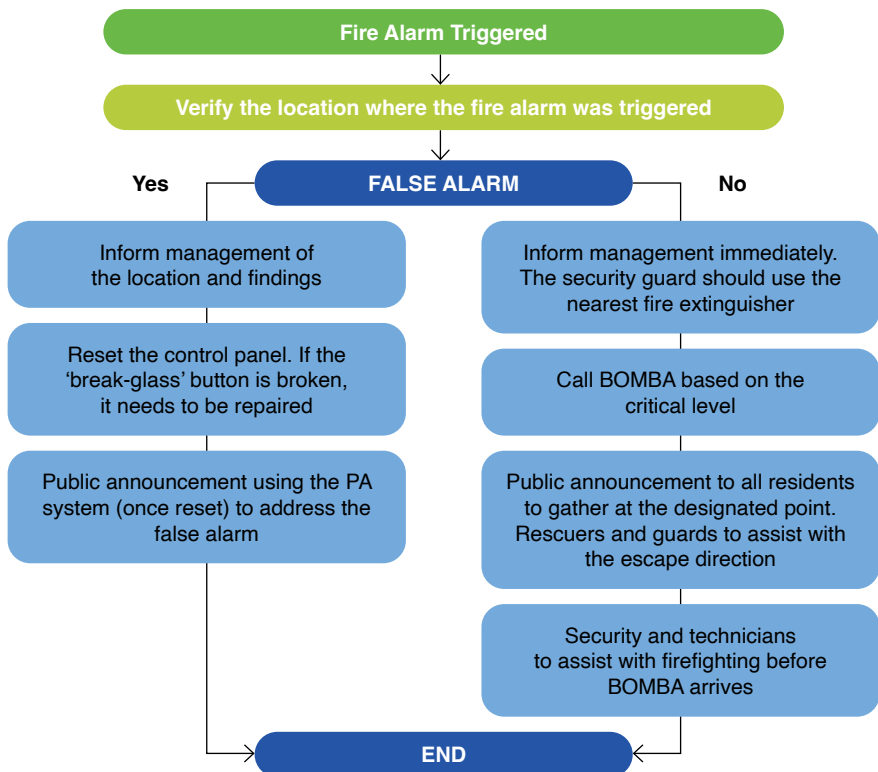
For each of our operating segments, our OHS Policy is developed by adhering to the following standards and guidelines:

- Integrated Public Transportation Terminal – Declaration of JKPP under DOSH
- Bus – Buku Panduan SPAD ICOP Keselamatan dan Kod Amalan Industri SPAD – Keselamatan untuk Pengendali Bas
- Petrol Station – Declaration of JKPP under DOSH
- Telecommunication Tower Construction – CIDB Act 520 and DOSH Guidelines for Public Safety & Health at Construction Sites (1st Revision)

Under the standard operating procedures (“SOP(s)”) of our bus operations, we have an emergency response plan for dealing with fire incidents, as well as procedures for reporting road accidents and incidents. We also have the SOPs in place for dealing with fire incidents at our terminals.

We maintain a Fire Flow Chart whenever the fire alarm is activated to ensure that actions are handled smoothly and efficiently in the event of an incident. The Fire Flow Chart is as follows:

Flow Chart (SOP) for Fire Alarm Activation



Safety is a 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 regarding their work practices. All our employees under our operations are covered by our OHS management system, which has been audited by an outsourced internal auditor and an internal safety officer.

SUSTAINABILITY STATEMENT

Maintenance Depot of Bus Operations

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

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 alert and ready to respond to potential accidents such as fire, explosion, theft and injuries. Employees are encouraged to always wear personal protective equipment to minimise the risk of injury or ill health.

Labelling and information on the safe usage of the services at our petrol stations are provided to ensure proper and safe handling. In FYE 2024, there were no recorded incidents of non-compliance concerning product and service information, labelling or marketing communications.

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 these risk.

The work-related incident investigation of our terminal operations is guided by our SOP, which 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:

1. Incident reporting,
2. Hazard and risk assessment,
3. Formation of investigation team,
4. Root cause analysis,
5. Corrective actions,
6. Implementation and monitoring,
7. Improvement of management system,
8. Document records, and
9. 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 walkabouts 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.

When an incident occurs at our petrol station, it must be reported immediately, followed by an assessment of risks to workers, the environment and property. A thorough investigation, including site inspections and interviews, will be conducted to determine the root cause. We will then conduct a risk assessment by using a risk matrix, prioritising hazards based on their likelihood and severity. Corrective actions follow the Hierarchy of Controls, starting with eliminating hazards where possible. If not, safer substitutes, engineering controls, administrative measures and personal protective equipment (“PPE”) are implemented. Continuous improvement is ensured through post-incident reviews, employee feedback and updated safety protocols. Regular safety audits, risk assessments and documentation help maintain compliance and prevent future incidents.

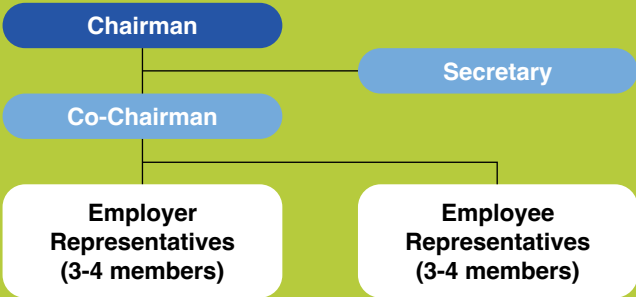
For bus operations, we have a guide on hazards that are commonly encountered while driving, such as driving under high speed, dangerous and negligent driving, dangerous road conditions, fire incidents, driving in areas with no street lighting and near factories where factory workers cross roads without paying attention. The guide stipulates the intensity of risk for each hazard and what should be done for risk control. Our employees are encouraged to report unsafe conditions immediately to their supervisors. They also have the right to stop work if they face risks or danger, without fear of disciplinary action. To support a safe working environment, we enforce strict protection against retaliation. Workers are safeguarded from discrimination or punitive actions when reporting hazards or refusing unsafe work. Complaints are handled confidentially and fairly to maintain trust and compliance.

In our telecommunication tower construction operations, hazard identification, risk assessment and risk control are conducted by the project manager and site safety supervisor.

SUSTAINABILITY
STATEMENT

Safety Committee

Perak Transit has established a Safety Committee under our bus operations since 2019 to ensure that safety protocols are executed. In FYE 2024, we established another Safety Committee specially for our terminal operations. The Safety Committee’s role includes communicating information on OHS risks, trends and policies to all employees involved in our operations. We have employee representatives on the Safety Committee to allow for two-way communication on safety matters. A Safety Committee meeting is held monthly to achieve these objectives. The organisational chart for the Safety Committees is as follows:



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 provided to all new recruits, while existing drivers must 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 they are well-prepared in the event of an accident or incident. The Group consistently provides 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 training provided by the Group in FYE 2024 includes:

- Safety Training (Hazard Reporting, Equipment Maintenance, and PPE Usage)
- Manual Handling (Training on Safe Lifting to Prevent Injuries)
- Fire Safety and Evacuation
- Fuelling Procedures and Safe Handling of Fuels
- First Aid and Cardiopulmonary Resuscitation (CPR)
- PPE Training
- Electrical Safety and Lockout/Tagout (LOTO) Training
- Spill Response and Environmental Protection Training
- OHS Training

	FYE 2022	FYE 2023	FYE 2024
Number of employees trained on health and safety standards	7	22	25

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 related to keyman insurance for our key management personnel. The Group is proactive in promoting both physical and mental health awareness in all our workplaces. Some of the efforts include sharing of OHS Awareness posters at our headquarters and bus offices, as well as organising stress-reducing programs and dietary advice training for our employees. All medical and health information of employees is kept confidential by the Human Resource Department to ensure that employees’ personal health-related information is not used for any favourable or unfavourable treatment.

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 2024. For the year under review, there were eleven (11) recordable work-related injuries. The total number of lost days due to these injuries was four hundred and forty-seven (447) days.

Work-Related Incident	FYE 2022	FYE 2023	FYE 2024
Number of fatalities as a result of work-related injuries	0	0	0
Number of high-consequence work-related injuries	0	0	6
Number of recordable work-related injuries	6	1	11
Number of lost time injuries	6	1	7
Total lost days	112	7	447
Number of close calls	0	0	0

Incident Rate per Million Hours Worked	FYE 2022	FYE 2023	FYE 2024
Total working hours	630,656	612,300	595,660
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	10.1
Rate of recordable work-related injuries	9.5	1.6	18.47
Lost time injury frequency rate	9.5	1.6	11.8

Work-Related Ill Health	FYE 2022	FYE 2023	FYE 2024
Number of fatalities as a result of work-related ill health	0	0	0
Number of recordable work-related ill health	0	0	2

Below is the summary of incidents and actions taken in FYE 2024:

Type of Injury	Root Cause	Corrective Action
Bus Operations – Hairline fracture in the left thumb	Human Error – Accidental contact with metal spring, resulting in injury. The employee did not feel much pain and continued working, which may have aggravated the injury	Administrative Control – The employee has been advised to be more careful when working with springs or heavy loads
Bus Operations - Injuries to the body	Vehicles Accident - Accidental contact with another vehicle	Administrative Control – The employee has been advised to be more careful and to maintain proper speed as per SOP when driving
Bus Operations - Injuries to the body	Vehicles Accident – The employee lost control of the vehicle due to a sudden condition on the road	Administrative Control – The employee has been advised to be more careful and to maintain proper speed as per SOP when driving
Bus Operations - Torn muscles injury	Human Error - Not exercising sufficient caution while driving the bus. Despite experiencing pain, the employee continued working, which may have aggravated the condition	Administrative Control – The employee has been advised to be more careful while working to prevent further injuries
Bus Operations - Broken shoulder injury	Vehicles Accident – The employee lost control of the vehicle due to a sudden condition on the road	Administrative Control – The employee has been advised to be more careful and to maintain proper speed as per SOP when driving
Bus Operations - Broken shoulder injury	Human Error - Walking without paying attention to their surroundings, resulting in a stumble	Administrative Control – The employee has been advised to always be more careful and remain aware of their surroundings

To control and minimise work-related incidents in our workplace, we will assign additional safety and health-related training for our employees, conduct more workplace inspections, and have weekly sharing on occupational safety and health awareness to improve workplace safety and increase safety awareness.

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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 177 buses, comprising 141 stage buses, 30 express buses, 5 Perak Hop-On Hop-Off buses and 1 Mobile Vaccination bus as of the end of FYE 2024. 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 2024, the stage buses operated by the Group has an average age of nine (9) 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 six (6) 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 both the bus drivers and passengers. We have a total of 143, 199 and 8 units of CCTV at Terminal Meru Raya, Kampar Putra Sentral and Bidor Sentral, respectively. More CCTV cameras are expected to be installed at Bidor 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 regularly assessed for improvements in terms of their health and safety impacts on customers. In FYE 2024, there are no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of our services.

Material Matters: Human and Labour Rights

Related UN SDGs:



Why Is This Important?

Respect for human and labour rights is essential to fostering a respectful, lawful and ethical work environment.

Our Approach

Perak Transit has effective policies in place which address workplace gender diversity and sexual harassment. These policies ensure a safe working environment for all employees and promote a good and conducive work environment, which in turn enhances productivity. Employees are given notice at least one week in advance of any significant changes in operations or working conditions to avoid any potential negative impacts from these changes.

Our Performance

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

We have communicated our grievance procedures to all employees and workers through the whistleblowing policy and employee handbook, allowing them to report anonymously any violations of labour practices, disputes or inappropriate behaviour regarding human rights and labour standards. In FYE 2024, we maintained a record of no incidents concerning violations of human rights and labour standards.

	FYE 2022	FYE 2023	FYE 2024
Number of substantiated complaints concerning human rights violations	0	0	0

Material Matters: Community Engagement

Related UN SDGs:



Why Is This Important?

Interactions with the community are crucial to understanding and meeting customer demands and strengthening our corporate social responsibility.

SUSTAINABILITY STATEMENT

Our 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 its 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 offering public transportation services. We strive to support the nation's transportation by improving the public infrastructure and services to enhance the living standards of our people.

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

Our Performance

Contributing Positive Economic Impacts

In FYE 2024, the Group has facilitated 1,583,095 passengers through our bus operations, representing a 5.1% increase from FYE 2022 and a 2.0% decrease from FYE 2023, enabling them to carry out daily economic activities such as work, business and the purchase of daily necessities. The Group also expanded its routes under the Bas Perak Sejahtera services to other districts, accommodating more passengers.

From our terminal operations, we serviced 1,150,736 ticket-purchasing passengers at Terminal Meru Raya (FYE 2023: 1,139,764 ticket-purchasing passengers) and 24,564 ticket-purchasing passengers at Kampar Putra Sentral (FYE 2023: 16,466 ticket-purchasing passengers).

Business Segment	Impact on Local Communities
Integrated public transportation terminal	- Improve public infrastructure and transportation services - Support economic development in second-tier cities - Create jobs in the supply or distribution chain - Reduce traffic congestion and air pollution, enhancing community environmental conditions - Invest in sustainable practices, such as the installation of solar panels, which promote renewable energy and contribute to cleaner air
Bus	- Improve public infrastructure and transportation services - Support economic development in second-tier cities - Create jobs in the supply chain - Reduce private vehicle usage and the air pollution that comes with it - Develop skills and knowledge in public transportation and green technology - Efficient bus service saves commuting time and improves worker productivity - Enhance skills of labour force with training and workshops
Petrol station	- Improve public infrastructure and transportation services - Support the global economy - Create jobs in areas of high poverty - Invest in sustainable practices, such as the installation of solar panels, which promote renewable energy and contribute to cleaner air - Enhance skills of labour force with training and workshops
Telecommunication tower construction	- Improve telecommunication infrastructure and access to network services in rural areas to support government initiatives - Support local economic development through local procurements - Improve accessibility within the site location, i.e., build culverts and drains to divert rainwater and avoid flooding, provide slope protection to prevent soil erosion and construct good access roads to benefit local citizens

SUSTAINABILITY STATEMENT

Community Engagement Program

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

- Provided free bus services for community events such as the World Firefighters’ Day 2024 Celebration, the 5th International Fire Conference & Exhibition Malaysia (IFCEM), the 43rd Tourism Promotion Organization (TPO) Executive Committee Meeting, assistance for flood victims at Fair Park, Perak and more.
- Offering bus routes in rural areas as initiatives by the State and Federal Government to enhance local residents’ accessibility.
- Implemented free fare initiatives through concession cards for targeted groups, such as persons with disabilities (OKU), senior citizens and students.

The Group has also implemented various local community engagement initiatives in FYE 2024, such as:

- Ensuring considerations for the accessibility of local demographics, including people with disabilities and elderly passengers.
- Implementing energy-efficient lighting and solar power systems in the terminals and petrol stations.
- Donating clothes to orphans.
- Donating to the Heartbeat Run Fundraiser for Sols Foundation, Hope Worldwide Malaysia, Food Aid Foundation and Generasi Gemilang to bring a meaningful impact to the communities.
- Donating to the Perak Association For Intellectually Disabled.
- Sponsoring the Persatuan Mecegah Dadah Malaysia to ensure the successful implementation of the Firefighters’ Day in Perak.
- Sponsoring hampers to Kelab Sukan Dan Kebajikan Kakitangan in conjunction with the program ‘Moh Melontar... Tenpin Bowling Kelab Petanda Kampar 2024.
- Sponsoring the police station in conjunction with the Hari Raya Aidil Celebration Event.
- Sponsoring water for the Karnival @ Tasek Temoh 2.0 program.
- Sponsoring the Wushu Federation of Federal Territory Kuala Lumpur.
- Sponsoring the less fortunate students of Terengganu.

	Unit	FYE 2022	FYE 2023	FYE 2024
Total amount invested in the community	RM	17,514	81,418	105,296
Total number of beneficiaries of the investment in communities	Number	5	12	20



World Firefighters’ Day 2024 Celebration



Assistance for Flood Victims at Fair Park, Perak

SUSTAINABILITY
STATEMENT

GOVERNANCE

Material Matters: Corporate Governance

Related UN SDGs:



Why Is This Important?

As regulations continue to expand across various sectors, corporate governance provides an essential framework for guiding our strategic decisions, ethical behaviour and overall accountability.

Our Approach

Regulatory Compliance and Group Policies

Our business is primarily exposed to regulatory risks related to anti-bribery and anti-corruption, as well as environmental and social aspects. Regarding corporate governance, we have established adequate policies and processes within our systems, which are publicly available on our website, such as:

- Board Charter
- Anti-Corruption and Anti-Bribery Policy
- Whistle Blowing Policy
- Directors' Fit & Proper Policy
- Code of Conduct
- Audit Committee – Terms of Reference
- Nomination and Remuneration Committee – Terms of Reference
- Risk Management and Sustainability Committee – Terms of Reference

These policies and processes are ultimately tied back to recommendations from the 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 they comply with the ever-changing business landscape.

Code of Conduct

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

We have established a Code of Conduct that refers to all relevant Group policies and sets out clear behavioural expectations that all employees, including full-time, probationary, contract and temporary staff, must adhere to. This covers areas such as:

- Compliance with Laws and Regulations;
- Conflicts of Interest;
- Confidential Information;
- Inside Information and Securities Trading;
- Protection of Properties and Assets;
- Business Records and Control;
- Business Courtesies and Gifts;
- Health and Safety;
- Fair and Courteous Behaviour;
- Misconduct;
- Bribery and Corruption; and
- Money Laundering.

These principles have been sufficiently communicated and embedded within all our staff across all directors, officers and employees, and are regularly monitored to ensure they remain relevant and appropriate.

The details of the Code of Conduct are available for reference on the Company's website at www.peraktransit.com.my/investor-relations.

SUSTAINABILITY STATEMENT

Anti-Corruption and Anti-Bribery

As a responsible 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/investor-relations. The document provides clear definitions, responsibilities, escalation methods and more. We encourage any such ACAB-related information from stakeholders be reported to us via our whistle-blower channel, which is clearly established within the Group’s Whistle Blowing Policy. In addition to our non-retaliation stance on whistle-blowers, anonymity is also offered to the reporter to encourage reporting. Furthermore, the independence of the whistle-blowing channel is safeguarded, as any 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 2024, we are proud to announce that we received zero whistle-blowing cases.

The Group adopts the T.R.U.S.T principles and strives to follow the Adequate Procedure Guidelines as outlined in 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. To this end, the Group introduced the Employee’s ACAB Declaration on 1 October 2023, which requires a declaration when the value of a gift/token or meal treats exceeds RM200 for managerial level employees and RM100 for non-managerial level employees. These principles have been effectively communicated and embedded within all our staff, including directors, officers and employees, as well as our business partners.

Board Independence and Diversity

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

- Maintaining the composition of independent directors and women directors on our Board.
- The Chairman of our Board is not a member of the Audit Committee, Nomination and Remuneration Committee or the Risk Management and Sustainability Committee.
- The Audit Committee and the Nomination and Remuneration Committee are entirely comprised of independent directors.
- We have established the Risk Management and Sustainability Committee, which comprises a majority of independent directors, to oversee the Company’s risk management framework, policies and sustainability issues.
- We maintain a Directors’ Fit and Proper Policy, which serves as a guide for the Nomination and Remuneration Committee and our Board as a whole in the review and assessment of our directors.

Our Performance

Regulatory Compliance and Group Policies

In FYE 2024, we did not record any incidents of non-compliance with laws or regulations.

Code of Conduct

In FYE 2024, we did not record any incidents of non-compliance or breaches of ethical issues.

Anti-Corruption and Anti-Bribery

There were no recorded incidents of corruption in FYE 2024.

	FYE 2022	FYE 2023	FYE 2024
Percentage of operations assessed for corruption-related risks	100%	100%	100%
Confirmed incidents of corruption and action taken	0	0	0

SUSTAINABILITY STATEMENT

In FYE 2024, new employees are provided with communication and training on ACAB to ensure that all employees are well-informed about ACAB matters. Existing employees are also provided with an Annual Refresher Training to communicate the importance of ACAB matters.

Number and Percentage of Employees to whom the ACAB Policies have been communicated	FYE 2022	FYE 2023	FYE 2024
General Employee	216*	199	197
	100%*	100%	100%
Middle Management	26*	46	42
	100%*	100%	100%
Senior Management	19*	22	22
	100%*	100%	100%
Total	261*	267	261
	100%*	100%	100%

Notes:

Number of employees excludes resigned employees.

*Restated figures for FYE 2022 to reflect the number of employees as of 31 December of the respective year.

Number and Percentage of Employees who have received training on ACAB	FYE 2022	FYE 2023	FYE 2024
General Employee	84	199	43
	39%	100%	22%
Middle Management	11	46	16
	42%	100%	38%
Senior Management	1	22	1
	5%	100%	5%
Total	96	267	60
	37%	100%	23%

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 ACAB awareness slides and forms to declare their acknowledgement to the Group's ACAB policies. In FYE 2024, 9 or 4% of our business partners were provided with awareness and a declaration regarding the Group's ACAB policies.

SUSTAINABILITY STATEMENT

Board Independence and Diversity

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 is as follows:

Board of Directors Breakdown	Unit	FYE 2022	FYE 2023	FYE 2024
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 whether 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, as well as our Board as a whole.

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Sustainability Performance Report 2024

Indicator	Measurement Unit	2024
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	100.00
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt	33,217.37
Bursa (Emissions management)		
Bursa C11(a) Scope 1 emissions in tonnes of CO ₂ e	Metric tonnes	7,428.99
Bursa C11(b) Scope 2 emissions in tonnes of CO ₂ e	Metric tonnes	2,238.65
Bursa C11(c) Scope 3 emissions in tonnes of CO ₂ e (at least for the categories of business travel and employee commuting)	Metric tonnes	281.75
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	61.97
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	47.96
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	14.01
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	69.190000
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Senior Management	Hours	194
Middle Management	Hours	331
General Worker	Hours	726
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	18.39
Bursa C6(c) Total number of employee turnover by employee category		
Senior Management	Number	3
Middle Management	Number	24
General Worker	Number	84
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
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	18.18
Senior Management Between 30-50	Percentage	27.27
Senior Management Above 50	Percentage	54.55
Middle Management Under 30	Percentage	38.10
Middle Management Between 30-50	Percentage	52.38
Middle Management Above 50	Percentage	9.52
General Worker Under 30	Percentage	17.77
General Worker Between 30-50	Percentage	46.19
General Worker Above 50	Percentage	36.04
Gender Group by Employee Category		
Senior Management Male	Percentage	63.64
Senior Management Female	Percentage	36.36
Middle Management Male	Percentage	40.48
Middle Management Female	Percentage	59.52
General Worker Male	Percentage	87.31
General Worker Female	Percentage	12.69

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY STATEMENT

Sustainability Performance Report 2024

Indicator	Measurement Unit	2024
Bursa (Diversity)		
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
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities		
	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")		
	Rate	11.75
Bursa C5(c) Number of employees trained on health and safety standards		
	Number	25
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer		
	MYR	105,296.00
Bursa C2(b) Total number of beneficiaries of the investment in communities		
	Number	20
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Senior Management	Percentage	4.55
Middle Management	Percentage	38.10
General Worker	Percentage	21.83
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

Internal assurance External assurance No assurance

(*)Restated

SUSTAINABILITY STATEMENT

GRI Content Index

This report has been prepared in accordance with the GRI Standards for the FYE 2024 period.

GRI-Code	Description	Reference
GRI 2: General Disclosures 2021		
<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 36
2-3	Reporting period, frequency and contact point	Statement Overview, page 36
2-4	Restatements of information	Restatements of information are disclosed in the relevant sections, where applicable
2-5	External assurance	Statement Overview, page 36
<i>Activities and workers</i>		
2-6	Activities, value chain and other business relationships	Management Discussion and Analysis, pages 12-17
2-7	Employees	Workforce Management, pages 59-65
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 37
2-10	Nomination and selection of the highest governance body	Corporate Governance Overview Statement, pages 18-33
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 18-33 Sustainability Governance, page 37
2-13	Delegation of responsibility for managing impacts	Corporate Governance Overview Statement, pages 18-33 Sustainability Governance, page 37
2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Overview Statement, pages 18-33 Sustainability Governance, page 37
2-15	Conflicts of interest	Profile of Directors, pages 6-9, Corporate Governance, pages 73-76
2-16	Communication of critical concerns	Corporate Governance, pages 73-76
2-17	Collective knowledge of the highest governance body	Corporate Governance Overview Statement, pages 18-33 Sustainability Governance, page 37 Corporate Governance, pages 73-76
2-18	Evaluation of the performance of the highest governance body	Corporate Governance Overview Statement, pages 18-33 Sustainability Governance, page 37 Corporate Governance, pages 73-76

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<i>GRI-Code</i>	<i>Description</i>	<i>Reference</i>
2-19	Remuneration policies	Corporate Governance Overview Statement, pages 18-33 Sustainability Governance, page 37 Corporate Governance, pages 73-76
2-20	Process to determine remuneration	Corporate Governance Overview Statement, pages 18-33 Sustainability Governance, page 37 Corporate Governance, pages 73-76
2-21	Annual total compensation ratio	Workforce Management, pages 59-65
<i>Strategy, policies and practices</i>		
2-22	Statement on sustainable development strategy	Business Strategies and Outlook, page 17 Sustainability Statement, pages 36-86
2-23	Policy commitments	Corporate Governance Overview Statement, pages 18-33 Corporate Governance, pages 73-76
2-24	Embedding policy commitments	Corporate Governance Overview Statement, pages 18-33 Corporate Governance, pages 73-76
2-25	Processes to remediate negative impacts	Corporate Governance Overview Statement, pages 18-33 Human and Labour Rights, page 70 Corporate Governance, pages 73-76
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance Overview Statement, pages 18-33 Human and Labour Rights, page 70 Corporate Governance, pages 73-76
2-27	Compliance with laws and regulations	Corporate Governance Overview Statement, pages 18-33 Corporate Governance, pages 73-76
2-28	Membership associations	Not applicable.
<i>Stakeholder engagement</i>		
2-29	Approach to stakeholder engagement	Stakeholder Engagement, pages 38-39
2-30	Collective bargaining agreements	Human and Labour Rights, page 70
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Materiality Assessment, page 39
3-2	List of material topics	Materiality Assessment, page 39
3-3	Management of material topics	Sustainability Statement, pages 36-86
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Economic Performance, pages 43-44 Financial Statements, pages 97-169
201-2	Financial implications and other risks and opportunities due to climate change	Economic Performance, pages 43-44
201-3	Defined benefit plan obligations and other retirement plans	Financial Statements, pages 97-169
201-4	Financial assistance received from government	Economic Performance, pages 43-44 Financial Statements, pages 97-169

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<i>GRI-Code</i>	<i>Description</i>	<i>Reference</i>
GRI 202: Market Presence 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Economic Performance, pages 43-44
202-2	Proportion of senior management hired from the local community	Workforce Management, pages 59-65
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Community Engagement, pages 70-72
203-2	Significant indirect economic impacts	Community Engagement, pages 70-72
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Supply Chain Management, pages 46-47
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Corporate Governance, pages 73-76
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance, pages 73-76
205-3	Confirmed incidents of corruption and actions taken	Corporate Governance, pages 73-76
GRI 206: Anti-competitive Behaviour 2016		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	In FYE 2024, there were no legal actions taken for anti-competitive behaviour, anti-trust or monopoly practices.
GRI 207: Tax 2019		
207-1	Approach to tax	Economic Performance, pages 43-44
207-2	Tax governance, control, and risk management	Economic Performance, pages 43-44
207-3	Stakeholder engagement and management of concerns related to tax	Economic Performance, pages 43-44
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Natural Resource Management, pages 48-58
301-2	Recycled input materials used	Natural Resource Management, pages 48-58
301-3	Reclaimed products and their packaging materials	Natural Resource Management, pages 48-58
GRI 302: Energy 2016		
302-1	Energy consumption within the organisation	Natural Resource Management, pages 48-58
302-2	Energy consumption outside of the organisation	Natural Resource Management, pages 48-58
302-3	Energy intensity	Natural Resource Management, pages 48-58
302-4	Reduction of energy consumption	Natural Resource Management, pages 48-58
302-5	Reductions in energy requirements of products and services	Natural Resource Management, pages 48-58
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Natural Resource Management, pages 48-58
303-2	Management of water discharge-related impacts	Natural Resource Management, pages 48-58
303-3	Water withdrawal	Natural Resource Management, pages 48-58
303-4	Water discharge	Natural Resource Management, pages 48-58
303-5	Water consumption	Natural Resource Management, pages 48-58

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<i>GRI-Code</i>	<i>Description</i>	<i>Reference</i>
GRI 304: Biodiversity 2016		
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 48-58
304-2	Significant impacts of activities, products and services on biodiversity	Natural Resource Management, pages 48-58
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.
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Natural Resource Management, pages 48-58
305-2	Energy indirect (Scope 2) GHG emissions	Natural Resource Management, pages 48-58
305-3	Other indirect (Scope 3) GHG emissions	Natural Resource Management, pages 48-58
305-4	GHG emissions intensity	Natural Resource Management, pages 48-58
305-5	Reduction of GHG emissions	Natural Resource Management, pages 48-58
305-6	Emissions of ozone-depleting substances (ODS)	Natural Resource Management, pages 48-58
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Natural Resource Management, pages 48-58
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Natural Resource Management, pages 48-58
306-2	Management of significant waste-related impacts	Natural Resource Management, pages 48-58
306-3	Waste generated	Natural Resource Management, pages 48-58
306-4	Waste diverted from disposal	Natural Resource Management, pages 48-58
306-5	Waste directed to disposal	Natural Resource Management, pages 48-58
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Supply Chain Management, pages 46-47
308-2	Negative environmental impacts in the supply chain and actions taken	Supply Chain Management, pages 46-47
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Workforce Management, pages 59-65
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workforce Management, pages 59-65
401-3	Parental leave	Workforce Management, pages 59-65
GRI 402: Labour/Management Relations 2016		
402-1	Minimum notice periods regarding operational changes	Human and Labour Rights, page 70

SUSTAINABILITY
STATEMENT

<i>GRI-Code</i>	<i>Description</i>	<i>Reference</i>
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Health and Safety, pages 66-69
403-2	Hazard identification, risk assessment, and incident investigation	Health and Safety, pages 66-69
403-3	Occupational health services	Health and Safety, pages 66-69
403-4	Worker participation, consultation, and communication on occupational health and safety	Health and Safety, pages 66-69
403-5	Worker training on occupational health and safety	Health and Safety, pages 66-69
403-6	Promotion of worker health	Health and Safety, pages 66-69
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, pages 66-69
403-8	Workers covered by an occupational health and safety management system	Health and Safety, pages 66-69
403-9	Work-related injuries	Health and Safety, pages 66-69
403-10	Work-related ill health	Health and Safety, pages 66-69
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Workforce Management, pages 59-65
404-2	Programs for upgrading employee skills and transition assistance programs	Workforce Management, pages 59-65
404-3	Percentage of employees receiving regular performance and career development reviews	Workforce Management, pages 59-65
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Corporate Governance, pages 73-76
405-2	Ratio of basic salary and remuneration of women to men	Workforce Management, pages 59-65
GRI 406: Non-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Workforce Management, pages 59-65
GRI 407: Freedom of Association and Collective Bargaining 2016		
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 70
GRI 408: Child Labour 2016		
408-1	Operations and suppliers at significant risk for incidents of child labour	Human and Labour Rights, page 70
GRI 409: Forced or Compulsory Labour 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human and Labour Rights, page 70
GRI 411: Rights of Indigenous Peoples 2016		
411-1	Incidents of violations involving rights of indigenous peoples	In FYE 2024, there were no incidents of violations involving the rights of indigenous peoples.

SUSTAINABILITY STATEMENT

<i>GRI-Code</i>	<i>Description</i>	<i>Reference</i>
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement, pages 70-72
413-2	Operations with significant actual and potential negative impacts on local communities	Community Engagement, pages 70-72
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Supply Chain Management, pages 46-47
414-2	Negative social impacts in the supply chain and actions taken	Supply Chain Management, pages 46-47
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Health and Safety, pages 66-69
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Health and Safety, pages 66-69
GRI 417: Marketing and Labelling 2016		
417-1	Requirements for product and service information and labelling	Health and Safety, pages 66-69
417-2	Incidents of non-compliance concerning product and service information and labelling	Health and Safety, pages 66-69
417-3	Incidents of non-compliance concerning marketing communications	Health and Safety, pages 66-69
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Customer Satisfaction, page 45

SUSTAINABILITY STATEMENT

ADDITIONAL INFORMATION: MATERIAL MATTERS (APPENDIX)

As we strive to create value for the organisation and our stakeholders, it is imperative to understand both the impact of sustainability matters on our business and the effects of our business practices on our stakeholders and the environment. Our materiality assessment helps us evaluate key sustainability risks and opportunities to ensure they are managed effectively. We conduct a full-scale materiality assessment every three (3) years to engage both our internal and external stakeholders, allowing us to identify issues that are critical to them and our business, as well as to assess and realign our strategies.

In FYE 2023, the Group conducted a comprehensive materiality assessment consisting of three (3) phases: Identification, Prioritisation, and Review and Validation.

Perak Transit's Materiality Assessment Process

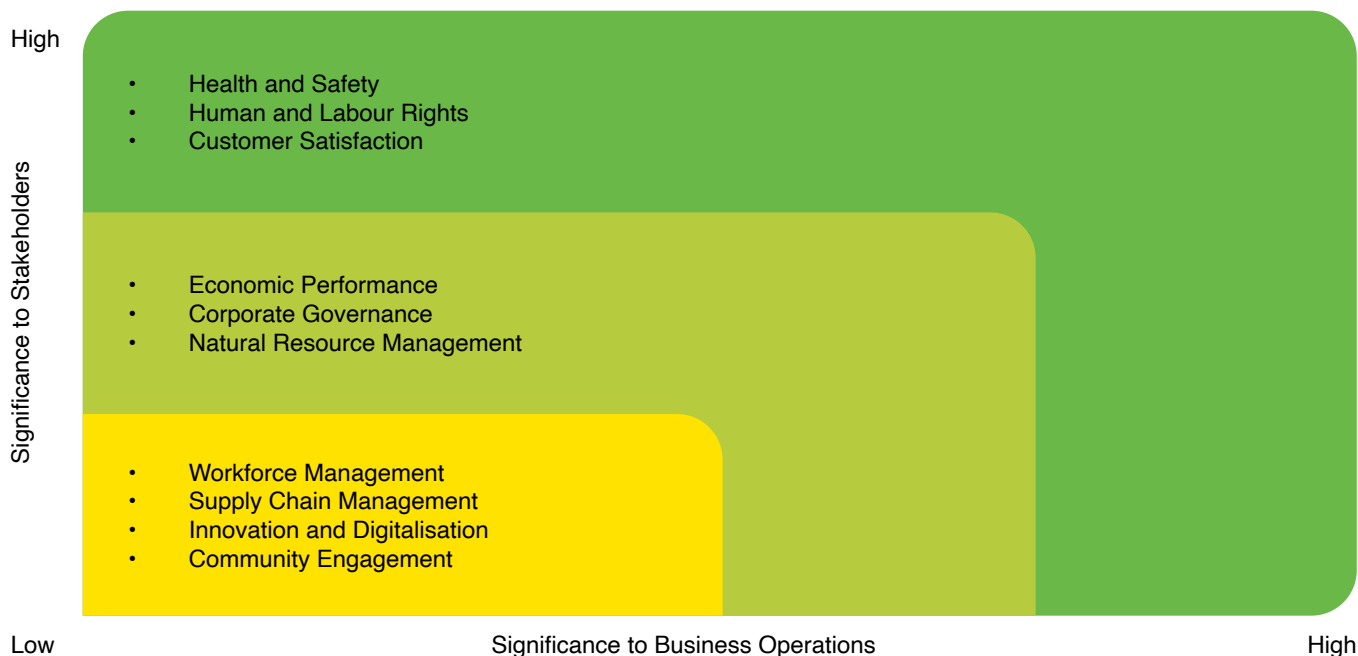
Phase 1: Identification	Phase 2: Prioritisation	Phase 3: Review and Validation
- Identified key stakeholders of Perak Transit, which comprise: - Internal (i.e., the Board and employees) - External (i.e., customers, investors, suppliers, governments and regulators, as well as the community) - Identified an inventory of material matters based on: - Sustainability guidelines, frameworks and standards (Bursa Malaysia's Sustainability Reporting Guide and Toolkits 3rd Edition and GRI Standards) - Analysis of current sustainability trends based on our operating environment - Peer benchmarking - Leveraged the outcomes of general external engagement across the Group via various platforms to understand their interests and concerns - As a result, a preliminary list of sustainability matters was derived	- Engaged our internal and external stakeholders via materiality survey - Evaluated the significance of each material matter on the Group's operations and its influence on stakeholders' decisions through RMSWGC internal discussions and stakeholder engagement - The material matters were prioritised based on two (2) dimensions: - Severity and likelihood of ESG impacts on the business - Importance to stakeholders, leveraging input from discussions with stakeholders - The outcome of the prioritisation resulted in a preliminary materiality matrix	- The preliminary materiality matrix generated was reviewed by the RMSWGC to align with the Group's overall strategy - The refined materiality matrix was then presented to the RMSC for validation and the RMSC recommended it to the Board for approval - Both the RMSC and the Board will review the materiality assessment process undertaken by Management on a yearly basis to identify any gaps that could further improve future assessments

Note:

For further information on our identified key stakeholders and their areas of interest and concern, please refer to Stakeholder Engagement (pages 38 to 39).

SUSTAINABILITY STATEMENT

Materiality Matrix for FYE 2023



Material Matters	Description
Economic Performance	Economic value created and distributed to stakeholders through better financial performance of the Group
Innovation and Digitalisation	Driving operational efficiency and enhancing passenger experience through the adoption of advanced technologies and digital transformation initiatives
Customer Satisfaction	Commitment to delivering high-quality services, ensuring positive customer experiences through continuous improvement and responsiveness to feedback
Supply Chain Management	Promoting higher standards in environmental and social aspects by streamlining procurement practices and diversifying suppliers
Natural Resource Management	Nature resource management through energy conservation initiatives, efficient utilisation of water and waste management practices
Workforce Management	Initiatives to attract and retain talent, while enhancing the overall productivity of the workforce
Health and Safety	Establishing a healthy, safe and supportive working environment for employees by minimising potential health and safety risks
Human and Labour Rights	Upholding fair labour practices, ensuring non-discrimination, promoting diversity and safeguarding the rights and well-being of employees across all operations and supply chains
Community Engagement	Contributing to societal well-being through corporate social responsibility initiatives, partnerships and programs that support local communities, education and sustainable development
Corporate Governance	Maintaining and promoting ethical business practices and transparency across our operations

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 and its subsidiaries (“**Group**”). 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.

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 normally schedules 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 reports to and updates 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 2024, the Audit Committee has convened four (4) meetings on 22 February 2024, 23 May 2024, 19 August 2024 and 18 November 2024.

The attendance of members in the financial year 2024 is as follows:

Name of Members	Attendance in 2024
Ng Wai Luen (<i>Chairman</i>) <i>Independent Non-Executive Director</i>	4/4
Dato’ Haji Mohd Gazali Bin Jalal (<i>Member</i>) <i>Independent Non-Executive Director</i>	3/4
Azian Binti Kassim (<i>Member</i>) <i>Independent Non-Executive Director</i>	4/4

The secretary attended all the meetings of the Audit Committee held during the financial year 2024.

At the end of the financial year 2024, 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 26 February 2025, the Audit Committee reviewed this Audit Committee Report for inclusion in the Annual Report 2024 of the Company.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The summary of works and key activities undertaken by the Audit Committee during the financial year 2024 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 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 the 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. Review 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 2023, 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 latest financial results in comparison to the budget of the Group for the financial year ended 31 December 2023 and 31 December 2024 during its scheduled quarterly meetings.

The Audit Committee deliberated and reviewed the budget of the Group for the financial year ending 31 December 2025 and recommended the same to the Board for approval and adoption.

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 forthcoming Annual General Meeting.

At the Annual General Meeting held on 23 May 2024, 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.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (Cont'd)

2. External Audit (Cont'd)

b. 2024 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 2024 ("FYE 2024"), 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 2024 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 2023, 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 FYE 2024 together with non-audit fees which comprises the review of Statement on Risk Management and Internal Control.

The amount of audit fees and non-audit fees payable to Moore in respect of the FYE 2024 are as follows:

	Audit fees (RM)	Non-Audit fees (RM)
Company	58,000	5,000
Group	200,000	5,000

The total fees for the Group for the financial year 2024 are RM205,000 which is a 17.82% increase from that of the previous year's total fees.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (Cont'd)

3. Internal Audit

In its oversight of the internal audit process, during the financial year 2024, the Audit Committee met with the internal auditors, representatives of JWC Consulting Sdn Bhd (“**JWC**”), four (4) times on 22 February 2024, 23 May 2024, 19 August 2024 and 18 November 2024.

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

- Financial quarter ended 31 March 2024
 - Review on the internal control systems on sales and marketing, credit control and inventory management of CKS Bumi Sdn Bhd (“**CKSB**”) and The Combined Bus Services Sdn Bhd (“**CBSB**”), construction status of Bidor Sentral, and trade receivables of the Group.
- Financial quarter ended 30 June 2024
 - Review on the internal control systems on sales and marketing, credit control and inventory management of CKS Labur Sdn Bhd (“**CKSL**”) and Star Kensington Sdn Bhd (“**SKSB**”), telecommunication tower construction status of PTRANS Resources Sdn Bhd (“**PRSB**”), construction status of Bidor Sentral, and trade receivables of the Group.
- Financial quarter ended 30 September 2024
 - Review on the internal control systems on property, plant and equipment and general safety and security of Kampar Putra Sentral and Bidor Sentral, construction status of Bidor Sentral, and trade receivables of the Group.
- Follow-up report for the financial quarter ended 31 December 2024
 - Follow up reviews on:
 - (i) Financial quarter ended 30 September 2023 – Credit control and sales and marketing of CBSB, Ipoh Link Sdn Bhd, Syarikat Sumber Manusia Sdn Bhd and Terminal Urus Sdn Bhd, and Anti-Bribery and Anti-Corruption policies and practices of the Company;
 - (ii) Financial quarter ended 31 March 2024 – Credit control, sales and marketing and inventory management of CKSB and CBSB;
 - (iii) Financial quarter ended 30 June 2024 – Credit control, sales and marketing and inventory management of CKSL and SKSB, and telecommunications tower construction status of PRSB; and
 - (iv) Financial quarter ended 30 September 2024 – Property, plant and equipment management and general safety and security of CBSB.

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 2025 to 31 December 2026.

The Audit Committee reviewed and approved the Internal Audit Plan for the financial year ending 31 December 2025 presented by the internal auditors in November 2024. The Internal Audit Plan for 2025 will also include the audit on the Group’s trade receivables.

AUDIT COMMITTEE REPORT

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE (Cont'd)

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 and Reports for inclusion into the Annual Report 2023

The Audit Committee received and reviewed the following statements and reports in respect of the financial year 2023 before recommending the same to the Board for approval and for inclusion in the Annual Report 2023 of the Company:

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

The Audit Committee has also reviewed the proposed amendment to the Whistle Blowing Policy of the Group before recommending the same to the Board for approval.

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, Fellow member of the Certified Practicing Accountants, Australia and corporate member of The Institute of Internal Auditors Malaysia. She has more than 19 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 Practicing 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 2024, 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 2024. 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 FYE 2024 amounted to RM56,000.

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 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 to 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. Given the limitations that are inherent in any system of internal control, it is important to note that the system is designed to provide reasonable combination of preventive, detective and corrective measures. As such, while it aims to mitigate risks, it can only provide reasonable rather than absolute assurance against material misstatement or loss.

The Group's 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 reviewing of the major strategic, business and operation risks within the Group. The Board and management practise 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 level of risks. In such instances, 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

RISK MANAGEMENT (Cont'd)

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

The Board 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 'Risk Management Committee' was renamed 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 strategies and initiatives covering environmental, social and economic responsibilities as well as the related sustainability practices within the Group. Accordingly, the terms of reference of the Risk Management and Sustainability Committee has also been revised, established and endorsed by the Board to govern its expanded responsibilities and activities. The Risk Management and Sustainability Committee is chaired by an independent non-executive director and the majority of its 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;
- 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; and
- 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.

Sustainability Management

- Review the sustainability strategies and evaluate their 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;
- Evaluate 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

RISK MANAGEMENT (Cont'd)

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: (Cont'd)

- 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 the 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 businesses 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. These buses undergo scheduled maintenance 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 performance 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.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTERNAL CONTROL (Cont'd)

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.

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 2024 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 2024, 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 26 February 2025.

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 2024.

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.

RESULTS

	Group RM	Company RM
Net profit for the financial year	71,020,998	25,168,059
Attributable to:		
Owners of the Company	70,991,485	25,168,059
Non-controlling interests	29,513	-
	71,020,998	25,168,059

DIVIDENDS

Since the end of the previous financial year, the Company has declared the following dividends in respect of financial year ended 31 December 2024 during the current financial year under review:

- (i) A first interim single tier dividend of 0.75 sen per ordinary share amounting to RM8,238,699, paid on 21 May 2024;
- (ii) A second interim single tier dividend of 0.50 sen per ordinary share amounting to RM5,492,505, paid on 22 August 2024;
- (iii) A third interim single tier dividend of 0.50 sen per ordinary share amounting to RM5,543,129, paid on 18 November 2024;
and
- (iv) A fourth interim single tier dividend of 0.50 sen per ordinary share amounting to RM5,544,627, paid on 17 February 2025.

On 26 February 2025, the Company has declared a first interim single tier dividend of 0.50 sen per ordinary share amounting to RM5,544,627 in respect of financial year ending 31 December 2025, based on the number of outstanding ordinary shares in issue (net of treasury shares) as at 31 December 2024 and payable on 23 May 2025.

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 2025.

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.

DIRECTORS' REPORT

ISSUANCE OF SHARES AND DEBENTURES

During the financial year, the Company increased its issued and paid-up share capital from 742,130,937 ordinary shares (inclusive of 10,399,999 treasury shares) to 1,124,525,350 ordinary shares (inclusive of 15,599,998 treasury shares) by way of the following issuance:

- (i) 53,024 new ordinary shares pursuant to the exercise of warrants at an exercise price of RM0.75 per ordinary share for cash;
- (ii) 11,262,869 new ordinary shares pursuant to the exercise of warrants at an adjusted exercise price of RM0.50 per ordinary share for cash; and
- (iii) 371,078,520 bonus shares (inclusive of 5,199,999 bonus shares held as treasury shares) on the basis of 1 bonus share for every 2 existing Perak Transit shares held.

The proceeds raised from exercise of warrants 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.

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 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 2024, the Company held a total of 15,599,998 ordinary shares of its 1,124,525,350 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 25 to the financial statements.

WARRANTS

The salient terms of the warrants are disclosed in Note 24(b) 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' REPORT

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

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 31.12.2024
	At 1.1.2024	Bought	Bonus issue	Exercise of warrants	
Direct interests:					
- Dato' Sri Cheong Kong Fitt	121,840,067	591,000	60,920,033	7,125,000	190,476,100
- Dato' Cheong Peak Sooi	10,023,598	-	5,011,799	-	15,035,397
- Dato' Haji Gazali Bin Jalal	86,266	-	43,133	-	129,399
Indirect interests:					
- Dato' Sri Cheong Kong Fitt [^]	95,082,332	-	47,541,165	-	142,623,497

		Number of warrants			
	At 1.1.2024	Bought	Adjustments	Exercise	At 31.12.2024
Direct interests:					
- Dato’ Sri Cheong Kong Fitt	24,805,291	-	12,402,645	(7,125,000)	30,082,936
- Dato’ Cheong Peak Sooi	1,700,549	-	850,274	-	2,550,823
Indirect interests:					
- Dato’ Sri Cheong Kong Fitt ^	23,588,082	-	11,794,041	-	35,382,123

[^] 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
Directors		
Salaries, allowances and bonuses	177,000	1,158,310
Fees	282,000	-
Contribution to defined contribution plan	13,400	173,062
Benefits-in-kind	5,304	5,300
Total fees and other benefits	477,704	1,336,672

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:
- 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
 - 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:
- 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;
 - which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading;
 - 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
 - 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:
- 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 other than as disclosed in the financial statements; or
 - 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 RM63,000 and RM142,000 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 Company.

SUBSEQUENT EVENT

Details of subsequent event are disclosed in Note 38 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 14 April 2025.

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 106 to 169 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 2024 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 14 April 2025.

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 106 to 169 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 14 April 2025.

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 2024 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 106 to 169.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Key Audit Matters	Our audit performed and responses thereon
Valuation of property, plant and equipment ("PPE") As at 31 December 2024, as disclosed in Note 11 to the financial statements, the Group's and the net carrying amount of the Group's PPE amounted to RM1,323,314,905. We have identified valuation of PPE as a key audit matter as the Group adopts the revaluation model for certain of its PPE, particularly leasehold land, buildings and integrated public transportation terminals. The Group revalues its PPE once every 5 years or at shorter intervals whenever the fair values of the revalued assets are expected to differ materially from their carrying amounts. During the current financial year, the Group has revalued the properties based on the fair value reports by external independent professionally qualified valuer using different valuation techniques, depending on the current or intended usage of the properties i.e. the comparison, cost and income approaches. We consider this to be an area of audit focus as the estimation of revaluation involved significant estimates and judgement in determining the revalued amount of the PPE.	We have performed the audit procedures as follows: • Considered the objectivity, independence and expertise of the firm of independent valuer; • Obtained an understanding of the methodologies used and the appropriateness of the key assumptions used by the external valuer in estimating the fair values of the PPE; • Checked the accuracy and relevance of the input data used; • Discussed with the independent valuer to obtain an understanding of the parameters used as input to the respective valuation models; • Assessed the adequacy and appropriateness of the disclosures relating to the valuation methodology and estimation made in the financial statements; and • Performed re-computation of the revaluation surplus, net of tax.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK TRANSIT BERHAD

Registration No. 200801030547 (831878-V)

Key Audit Matters (Cont'd)

We have determined that there are no Key Audit Matters for the Company 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.

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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERAK TRANSIT BERHAD

Registration No. 200801030547 (831878-V)

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

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

- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Matters

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

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

Penang

Date: 14 April 2025

THAM SHIEN HONG
03266/04/2027 J
Chartered Accountant

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM	2023 RM	2024 RM	2023 RM
Revenue	4	186,746,392	173,165,302	26,137,458	22,172,333
Investment revenue	5	155,261	616,459	89,329	482,798
Amortisation of deferred capital grants	28	363,151	363,151	-	-
Other operating income	6	10,533,887	8,434,999	13,080,948	12,967,597
Purchase of trading goods and materials		(31,504,186)	(32,315,716)	-	-
Changes in inventories of trading goods and materials		(50,120)	87,559	-	-
Employee benefits expense	6	(11,186,018)	(10,820,310)	(1,968)	(1,901)
Directors' remuneration	7	(1,803,772)	(1,732,734)	(472,400)	(473,440)
Depreciation of property, plant and equipment and investment properties	11 & 12	(23,419,875)	(21,787,010)	-	-
Finance costs	8	(13,629,499)	(13,400,781)	(3,921,141)	(4,173,666)
Other operating expenses	6	(26,884,006)	(21,384,082)	(7,512,163)	(4,893,913)
Profit before tax		89,321,215	81,226,837	27,400,063	26,079,808
Tax expense	9	(18,300,217)	(16,116,884)	(2,232,004)	(2,212,331)
Profit for the financial year		71,020,998	65,109,953	25,168,059	23,867,477
Other comprehensive income, net of tax					
<i>Item that will not be reclassified subsequently to profit or loss</i>					
Revaluation surplus of leasehold land, buildings and integrated public transportation terminals ("IPTT"), net of tax		52,433,274	-	-	-
Total comprehensive income for the financial year		123,454,272	65,109,953	25,168,059	23,867,477
Profit net of tax, attributable to:					
Owners of the Company		70,991,485	65,082,718	25,168,059	23,867,477
Non-controlling interests		29,513	27,235	-	-
		71,020,998	65,109,953	25,168,059	23,867,477
Total comprehensive income attributable to:					
Owners of the Company		123,416,826	65,082,718	25,168,059	23,867,477
Non-controlling interests		37,446	27,235	-	-
		123,454,272	65,109,953	25,168,059	23,867,477
Earnings per ordinary share					
Basic (sen)	10	6.45	5.97		
Diluted (sen)	10	6.07	5.75		

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 2024

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
Non-current assets					
Property, plant and equipment	11	1,323,314,905	1,038,642,784	1	1
Investment properties	12	5,703,697	95,196,994	-	-
Contract costs	13	1,722,685	2,061,574	-	-
Investment in subsidiaries	14	-	-	239,007,349	207,007,349
Amount due from subsidiaries	15	-	-	406,005,418	374,169,332
Goodwill	16	1,622,631	1,622,631	-	-
Other investment	17	-	5,007,671	-	-
Deferred tax assets	18	14,992	-	-	-
		<u>1,332,378,910</u>	<u>1,142,531,654</u>	<u>645,012,768</u>	<u>581,176,682</u>
Current assets					
Inventories	19	996,777	1,046,897	-	-
Trade and other receivables	20	28,262,539	27,867,125	-	-
Contract assets	21	1,310,210	2,657,900	-	-
Other assets	22	6,443,582	3,003,196	7,722,720	4,310,433
Amount due from subsidiaries	15	-	-	215,875,231	237,540,352
Tax recoverable		124,067	1,117,641	-	-
Fixed deposits with licensed banks	23	28,037,827	22,594,353	27,695,810	21,454,306
Cash and bank balances		257,810,680	64,930,457	251,445,634	53,600,055
		<u>322,985,682</u>	<u>123,217,569</u>	<u>502,739,395</u>	<u>316,905,146</u>
TOTAL ASSETS		<u>1,655,364,592</u>	<u>1,265,749,223</u>	<u>1,147,752,163</u>	<u>898,081,828</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	24	355,770,360	350,100,187	355,770,360	350,100,187
Treasury shares	25	(7,943,806)	(7,943,806)	(7,943,806)	(7,943,806)
Property revaluation reserve	26	86,111,131	33,685,790	-	-
Retained earnings		319,308,529	273,080,550	9,319,345	8,970,246
Equity attributable to owners of the Company		<u>753,246,214</u>	<u>648,922,721</u>	<u>357,145,899</u>	<u>351,126,627</u>
Non-controlling interests		120,280	144,030	-	-
Total equity		<u>753,366,494</u>	<u>649,066,751</u>	<u>357,145,899</u>	<u>351,126,627</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 2024

			Group		Company
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Non-current liabilities					
Borrowings	27	705,898,651	481,685,638	705,510,692	480,535,477
Deferred capital grants	28	14,581,445	14,944,596	-	-
Deferred tax liabilities	18	59,719,350	33,744,342	-	-
		780,199,446	530,374,576	705,510,692	480,535,477
Current liabilities					
Trade and other payables	29	23,015,123	12,302,590	161,954	60,690
Other liabilities	30	18,109,062	15,573,440	5,756,608	5,813,879
Amount due to subsidiaries	15	-	-	83,525	3,309,598
Borrowings	27	79,205,019	57,296,383	78,442,817	56,523,223
Deferred capital grants	28	363,151	363,151	-	-
Tax payable		1,106,297	772,332	650,668	712,334
		121,798,652	86,307,896	85,095,572	66,419,724
Total liabilities		901,998,098	616,682,472	790,606,264	546,955,201
TOTAL EQUITY AND LIABILITIES		1,655,364,592	1,265,749,223	1,147,752,163	898,081,828

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 2024

	Note	Attributable to Owners of the Company					
		Non-distributable			Distributable		
		Share capital RM	Treasury shares RM	Property revaluation reserve RM	Retained earnings RM	Total RM	Non-controlling interests RM
							Total equity RM
Group							
At 1 January 2023		328,120,700	(7,943,806)	35,891,680	227,717,537	583,786,111	123,662
Profit net of tax, representing total comprehensive income for the financial year		-	-	-	65,082,718	65,082,718	27,235
Dividends to non-controlling interests		-	-	-	-	-	(6,867)
Transfer upon disposal of vacant land, net of tax	26	-	-	(2,205,890)	2,205,890	-	-
Transactions with owners of the Company:							
Issuance of shares pursuant to exercise of warrants	24	21,981,000	-	-	-	21,981,000	-
Transactions costs of shares issued	24	(1,513)	-	-	-	(1,513)	-
Dividends to owners of the Company	31	-	-	-	(21,925,595)	(21,925,595)	-
Total transactions with owners of the Company		21,979,487	-	-	(21,925,595)	53,892	-
At 31 December 2023 / 1 January 2024		350,100,187	(7,943,806)	33,685,790	273,080,550	648,922,721	144,030
Profit net of tax		-	-	-	70,991,485	70,991,485	29,513
Revaluation surplus on leasehold land, buildings and IPTT, net of tax	26	-	-	52,425,341	-	52,425,341	7,933
Total comprehensive income for the financial year		-	-	52,425,341	70,991,485	123,416,826	37,446
Dividends to non-controlling interests		-	-	-	-	-	(5,742)
Effect of increase in stake in a subsidiary		-	-	-	55,454	55,454	(55,454)
Transactions with owners of the Company:							
Issuance of shares pursuant to exercise of warrants	24	5,671,203	-	-	-	5,671,203	-
Transactions costs of shares issued	24	(1,030)	-	-	-	(1,030)	-
Dividends to owners of the Company	31	-	-	-	(24,818,960)	(24,818,960)	-
Total transactions with owners of the Company		5,670,173	-	-	(24,818,960)	(19,148,787)	-
At 31 December 2024		355,770,360	(7,943,806)	86,111,131	319,308,529	753,246,214	120,280
							753,366,494

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 2024

	Note	Share capital RM	Non-distributable Treasury shares RM	Distributable Retained earnings RM	Total equity RM
Company					
At 1 January 2023		328,120,700	(7,943,806)	7,028,364	327,205,258
Profit net of tax, representing total comprehensive income for the financial year		-	-	23,867,477	23,867,477
Transactions with owners of the Company:					
Issuance of shares pursuant to exercise of warrants	24	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)
Total transactions with owners of the Company		21,979,487	-	(21,925,595)	53,892
At 31 December 2023 / 1 January 2024		350,100,187	(7,943,806)	8,970,246	351,126,627
Profit net of tax, representing total comprehensive income for the financial year		-	-	25,168,059	25,168,059
Transactions with owners of the Company:					
Issuance of shares pursuant to exercise of warrants	24	5,671,203	-	-	5,671,203
Transactions costs of shares issued		(1,030)	-	-	(1,030)
Dividends to owners of the Company	31	-	-	(24,818,960)	(24,818,960)
Total transactions with owners of the Company		5,670,173	-	(24,818,960)	(19,148,787)
At 31 December 2024		355,770,360	(7,943,806)	9,319,345	357,145,899

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 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash flows from operating activities				
Profit for the financial year	71,020,998	65,109,953	25,168,059	23,867,477
Adjustments for:				
Amortisation of deferred capital grants	(363,151)	(363,151)	-	-
Amortisation of contract costs	338,889	338,889	-	-
Depreciation of property, plant and equipment and investment properties	23,419,875	21,787,010	-	-
Deposits forfeited	(1,300,000)	(11,840)	-	-
Finance costs	13,629,499	13,400,781	3,921,141	4,173,666
Gain on disposal of property, plant and equipment	-	(1,200,294)	-	-
Interest income	(3,574,616)	(2,897,825)	(13,170,277)	(13,450,395)
Property, plant and equipment written off	-	15,001	-	-
Tax expense	18,300,217	16,116,884	2,232,004	2,212,331
Operating profit before working capital changes	121,471,711	112,295,408	18,150,927	16,803,079
Changes in working capital:				
Inventories	50,120	(87,559)	-	-
Trade and other receivables	(395,414)	(2,480,547)	-	-
Contract assets	1,347,690	468,635	-	-
Other assets	(3,468,740)	(181,437)	(3,412,287)	2,650,404
Trade and other payables	7,410,690	(2,891,113)	101,264	(41,037)
Other liabilities	3,803,017	(72,013)	(89,537)	(413,892)
Cash generated from operations	130,219,074	107,051,374	14,750,367	18,998,554
Bank charges paid	(49,007)	(1,498)	(48,049)	(206)
Interest received on current account	3,419,355	2,281,366	3,411,419	2,233,833
Income tax paid	(7,619,105)	(10,817,908)	(2,293,670)	(2,951,239)
Income tax refunded	48,567	68,328	-	55,000
Net cash from operating activities	126,018,884	98,581,662	15,820,067	18,335,942
Cash flows from investing activities				
Acquisition of a subsidiary	-	(320,000)	-	(320,000)
Advance to subsidiaries	-	-	(42,170,965)	(182,337,490)
Decrease/(Increase) in other investment	5,007,671	(5,007,671)	-	-
Interest income received on financial assistance	-	-	9,669,529	10,733,764
Interest received on fixed deposits	112,253	506,672	88,513	482,052
Interest received on other investment	43,008	109,787	816	746
Purchase of investment properties	(25,389)	(8,038,339)	-	-
Purchase of property, plant and equipment	(128,963,446)	(235,576,522)	-	-
Proceeds from disposal of property, plant and equipment	-	11,629,050	-	-
Net cash used in investing activities	(123,825,903)	(236,697,023)	(32,412,107)	(171,440,928)
Balance carried forward	2,192,981	(138,115,361)	(16,592,040)	(153,104,986)

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 2024

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Balance brought forward	2,192,981	(138,115,361)	(16,592,040)	(153,104,986)
Cash flows from financing activities				
Dividends paid				
- owners of the Company	(24,762,315)	(21,705,785)	(24,762,315)	(21,705,785)
- non-controlling interests	(5,403)	(7,994)	-	-
Finance costs paid	(30,893,388)	(25,878,927)	(3,897,471)	(4,172,656)
Net placement of fixed deposits pledged to licensed banks	(5,434,456)	(6,097,955)	(6,241,501)	(6,081,355)
Proceeds from issuance of shares pursuant to exercise of warrants	5,670,173	21,979,487	5,670,173	21,979,487
Prepayment of revolving credit	(580,000)	(3,000,000)	(580,000)	(3,000,000)
Proceeds from Sukuk Murabahah	-	250,000,000	-	250,000,000
Proceeds from Sukuk Wakalah	300,000,000	-	300,000,000	-
Repayment of lease liabilities	(773,160)	(725,597)	-	-
Repayment of Sukuk Murabahah	(44,500,000)	(36,000,000)	(44,500,000)	(36,000,000)
Repayment of term loans	(8,025,191)	(8,016,819)	(8,025,191)	(8,016,819)
(Repayment to)/Advance from subsidiaries	-	-	(3,226,073)	3,309,598
Net cash from financing activities	190,696,260	170,546,410	214,437,622	196,312,470
Net increase in cash and cash equivalents	192,889,241	32,431,049	197,845,582	43,207,484
Cash and cash equivalents at beginning of the financial year	65,292,580	32,861,531	53,629,176	10,421,692
Cash and cash equivalents at end of the financial year	258,181,821	65,292,580	251,474,758	53,629,176

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 2024

Note:

- (i) Cash and cash equivalents comprise the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Cash and bank balances	257,810,680	64,930,457	251,445,634	53,600,055
Fixed deposits placed with licensed banks	28,037,827	22,594,353	27,695,810	21,454,306
	285,848,507	87,524,810	279,141,444	75,054,361
Less: Fixed deposits pledged to licensed banks	(27,666,686)	(22,232,230)	(27,666,686)	(21,425,185)
	258,181,821	65,292,580	251,474,758	53,629,176

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

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Cash purchases		128,963,446	235,576,522	-	-
Capitalised borrowing costs		17,288,517	12,480,448	-	-
Transfer from deposit paid		28,354	-	-	-
Financed by way of lease arrangements		-	753,800	-	-
Other payables		3,301,843	214,480	-	-
	11	149,582,160	249,025,250	-	-

- (iii) Total operating and financing cash outflows arising from leases as a lessee during the financial year is RM2,103,457 (2023: RM1,656,322).

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 2024

Note: (Cont'd)

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

	At 1 January RM	Acquisition of new lease RM	Drawdown of loans RM	Net cash changes RM	At 31 December RM
2024					
Group					
Lease liabilities	1,923,321	-	-	(773,160)	1,150,161
Sukuk Murabahah	473,000,000	-	-	(44,500,000)	428,500,000
Sukuk Wakalah	-	-	300,000,000	-	300,000,000
Revolving credit	37,000,000	-	-	(580,000)	36,420,000
Term loans	27,058,700	-	-	(8,025,191)	19,033,509
	<u>538,982,021</u>	<u>-</u>	<u>300,000,000</u>	<u>(53,878,351)</u>	<u>785,103,670</u>
Company					
Sukuk Murabahah	473,000,000	-	-	(44,500,000)	428,500,000
Sukuk Wakalah	-	-	300,000,000	-	300,000,000
Revolving credit	37,000,000	-	-	(580,000)	36,420,000
Term loans	27,058,700	-	-	(8,025,191)	19,033,509
Amount due to subsidiaries	<u>3,309,598</u>	<u>-</u>	<u>-</u>	<u>(3,226,073)</u>	<u>83,525</u>
	<u>540,368,298</u>	<u>-</u>	<u>300,000,000</u>	<u>(56,331,264)</u>	<u>784,037,034</u>
2023					
Group					
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>
Company					
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
Amount due to subsidiaries	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,309,598</u>	<u>3,309,598</u>
	<u>334,075,519</u>	<u>-</u>	<u>250,000,000</u>	<u>(43,707,221)</u>	<u>540,368,298</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 2024

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.

The financial statements were authorised for issue in accordance with a Board of Directors' resolution dated 14 April 2025.

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 Amendments to MFRSs

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

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

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.

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

The Group and the Company have not adopted the following New MFRS and 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:

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	Lack of Exchangeability
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Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9 and MFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to MFRS 9 and MFRS 7	Contracts Referencing Nature-dependent Electricity
Annual improvements to MFRSs – Volume 11	

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

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 2027

MFRS 18 *	Presentation and Disclosure in Financial Statements
MFRS 19	Subsidiaries without Public Accountability: Disclosures

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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* MFRS 101 shall be withdrawn upon initial application of MFRS 18

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.

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 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

2. BASIS OF PREPARATION (Cont'd)

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

(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) Revaluation of properties

Certain properties of the Group are reported at valuation which is based on valuations performed by independent professional valuer.

The independent professional valuer has exercised judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal year value, compound annual growth rate, market freehold rental and other factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters.

Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuation estimates.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

(a) Basis of consolidation (Cont'd)

Subsidiaries and business combination (Cont'd)

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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

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

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

(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 Company. Therefore, revenue is recognised over time based on the period for which services have been rendered and payment is generally due within 90 days from invoice date.

(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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

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

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

(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 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 performance obligation ("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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

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

(iv) Income from telecommunication ("telco") tower construction operations (Cont'd)

There is no significant financing component in construction of telco towers as the period between the recognition of revenue using the percentage of completion and the milestone billings is generally within the normal business operating cycle, i.e. 30 days and payment is typically due within 60 days.

(v) 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.

(vi) Rental income

Rental income from operating lease arrangement of the Group's plant and machinery and investment properties is recognised on a straight-line basis over the term of relevant lease term as part of "other operating income".

(vii) Dividend income

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

(viii) Interest income

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

(ix) 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.

(x) 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

(c) Employee benefits (Cont'd)

(i) Short-term employee benefits (Cont'd)

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

(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 27.

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 Group'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.

(g) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment (other than certain leasehold land, integrated public transportation terminals ("IPTT") and buildings) are measured at cost less accumulated depreciation and accumulated impairment losses.

The leasehold land, IPTT and buildings 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%

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

(g) Property, plant and equipment (Cont'd)

(ii) Depreciation (Cont'd)

Leasehold land are amortised evenly over the lease periods of 31 to 98 years. Buildings, including IPTT are amortised evenly over the remaining useful lives of 5 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.

(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 - incremental cost of obtaining a contract

The Group recognises incremental costs of obtaining contracts when the Group expects to recover these costs.

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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

(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.

(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 in a separate line 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Cont'd)

(n) Equity instruments (Cont'd)

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.

4. REVENUE

		Group		Company	
Note		2024 RM	2023 RM	2024 RM	2023 RM
Income from:					
Operation of public transportation	(i)	25,002,156	25,787,478	-	-
IPTT operations	(ii)	126,628,806	110,905,805	-	-
Petrol station operations		33,232,139	33,850,201	-	-
Telecommunication tower construction	(iii)	1,883,291	2,621,818	-	-
Dividend income		-	-	26,137,458	22,172,333
		186,746,392	173,165,302	-	-
Timing of recognition of the revenue can be analysed as:					
- At a point in time		65,960,761	68,515,748	-	-
- Over time		27,168,036	28,934,449	-	-
		93,128,797	97,450,197	-	-
Others		93,617,595	75,715,105	26,137,458	22,172,333
		186,746,392	173,165,302	26,137,458	22,172,333

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

4. REVENUE (Cont'd)

(i) Operation of public transportation

	2024 RM	Group 2023 RM
Bus fare income	2,377,311	1,951,346
Government support fund	13,511,671	15,112,559
Bus charter and advertising income	9,113,174	8,723,573
	<u>25,002,156</u>	<u>25,787,478</u>

Included in government support fund is government subsidy amounting to RM8,105,569 (2023: RM2,785,204).

(ii) IPTT operations

	2024 RM	Group 2023 RM
Rental income	93,617,595	75,715,105
Project facilitation fee	29,900,000	32,300,000
Management fee	1,372,043	1,305,646
Profit sharing from terminal management	1,287,031	1,170,853
Car park fee	415,311	377,731
Entrance fee	36,000	36,470
Maintenance fee	826	-
	<u>126,628,806</u>	<u>110,905,805</u>

5. INVESTMENT REVENUE

	2024 RM	Group 2023 RM	Company 2024 RM	Company 2023 RM
Interest income from:				
Fixed deposits	112,253	506,672	88,513	482,052
Other investments	43,008	109,787	816	746
	<u>155,261</u>	<u>616,459</u>	<u>89,329</u>	<u>482,798</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

6. OTHER OPERATING INCOME/(EXPENSES) AND EMPLOYEE BENEFITS EXPENSE

Included in other operating income/(expenses) are the following:

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Auditors' remuneration:				
- statutory audit				
- current year	(200,000)	(169,000)	(58,000)	(55,000)
- over provision in prior year	-	-	5,000	-
- other services	(20,000)	(5,000)	(20,000)	(5,000)
Amortisation of contract costs	(338,889)	(338,889)	-	-
Compensatory income	1,183,465	-	-	-
Deposits forfeited	1,300,000	11,840	-	-
Expenses related to leases				
- short-term leases	(1,194,350)	(759,146)	-	-
- leases of low-value assets	(30,563)	(32,620)	-	-
Gain on disposal of property, plant and equipment	-	1,200,294	-	-
Interest income from current account	3,419,355	2,281,366	3,411,419	2,233,833
Interest income from financial assistance to subsidiaries	-	-	9,669,529	10,733,764
Property, plant and equipment written off	-	(15,001)	-	-
Rental income from investment property - building	499,200	480,000	-	-
Rental income from machinery	3,103,674	3,114,416	-	-
Rental income from spaces	936,000	998,500	-	-

Included in employee benefits expense of the Group is contributions made to EPF of RM857,232 (2023: RM827,824).

7. DIRECTORS' REMUNERATION

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, allowances and bonuses	1,335,310	1,274,080	177,000	178,000
EPF	186,462	176,654	13,400	13,440
Fees	282,000	282,000	282,000	282,000
	<u>1,803,772</u>	<u>1,732,734</u>	<u>472,400</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 RM10,604 (2023: RM10,600) and RM5,304 (2023: RM5,300) respectively.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

8. FINANCE COSTS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Bank charges	1,201	1,498	243	206
Commitment fees	47,806	-	47,806	-
Bank guarantee charges	73,593	7,284	12,510	-
Interest on advance from a fellow subsidiary	-	-	83,525	19,598
Lease liabilities interest	105,384	138,959	-	-
Revolving credit interest	1,904,051	2,029,700	1,904,051	2,029,700
Term loans interest	1,219,507	1,599,761	1,219,507	1,599,761
Sukuk Murabahah interest:				
- Gross interest	23,729,514	22,104,027	23,729,514	22,104,027
- Less: Back-to-back charged to subsidiaries	-	-	(23,215,434)	(21,579,626)
	23,729,514	22,104,027	514,080	524,401
Sukuk Wakalah interest:				
- Gross interest	3,836,960	-	3,836,960	-
- Less: Back-to-back charged to subsidiaries	-	-	(3,697,541)	-
	3,836,960	-	139,419	-
	30,918,016	25,881,229	3,921,141	4,173,666
Less: Capitalised to property, plant and equipment (Note 11d)	(17,288,517)	(12,480,448)	-	-
	13,629,499	13,400,781	3,921,141	4,173,666

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

9. TAX EXPENSE

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Tax expense comprises:				
Current income tax:				
- Current year	(9,061,100)	(7,687,300)	(2,259,000)	(2,229,000)
- Over provision in prior years	163,023	83,966	26,996	16,669
	<u>(8,898,077)</u>	<u>(7,603,334)</u>	<u>(2,232,004)</u>	<u>(2,212,331)</u>
Deferred tax (Note 18):				
Relating to origination and reversal of temporary differences:				
- Current year	(9,646,631)	(9,044,437)	-	-
- Under provision in prior year	(163,090)	(69,083)	-	-
	<u>(9,809,721)</u>	<u>(9,113,520)</u>	-	-
Relating to crystallisation of deferred tax liabilities on revaluation surplus of properties:				
- Current year	407,581	250,390	-	-
Reversal upon disposal of vacant land	-	649,885	-	-
	<u>(9,402,140)</u>	<u>(8,213,245)</u>	-	-
Real property gains tax:				
- Current year	-	(300,305)	-	-
	<u>(18,300,217)</u>	<u>(16,116,884)</u>	<u>(2,232,004)</u>	<u>(2,212,331)</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

9. TAX EXPENSE (Cont'd)

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	
	2024 RM	2023 RM	2024 RM	2023 RM
Profit before tax	89,321,215	81,226,837	27,400,063	26,079,808
Tax at the Malaysian statutory income tax rate of 24%	(21,437,092)	(19,494,441)	(6,576,015)	(6,259,154)
Income not subject to tax	89,131	375,405	6,273,186	5,321,539
Expenses not deductible for tax purposes	(3,519,932)	(2,738,901)	(1,956,171)	(1,291,385)
Effect of qualifying assets disallowed	2,784,836	2,121,293	-	-
Deduction on borrowing costs capitalised	3,375,326	2,995,307	-	-
Crystallisation of deferred tax liabilities on revaluation surplus of properties	407,581	250,390	-	-
Reversal upon disposal of vacant land	-	649,885	-	-
Real property gains tax	-	(300,305)	-	-
Utilisation of tax losses from prior years	-	9,600	-	-
	(18,300,150)	(16,131,767)	(2,259,000)	(2,229,000)
Under provision of deferred tax in prior years	(163,090)	(69,083)	-	-
Over provision of current tax in prior years	163,023	83,966	26,996	16,669
Tax expense for the financial year	(18,300,217)	(16,116,884)	(2,232,004)	(2,212,331)

The Group has the following estimated unutilised tax losses, unutilised investment allowance and unutilised capital allowance available for set-off against future taxable profits as follows (stated at gross):

	Group (Restated)	
	2024 RM	2023 RM
Unutilised investment allowance	-	49,630,000
Unutilised tax losses	63,831	-
Unutilised capital allowance	19,068,734	-

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, whilst the unutilised capital allowances may still be carried forward indefinitely.

The unutilised tax losses are available for offset against future taxable profits of the Group up to financial year 2034.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

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	
	2024	2023
Profit after tax attributable to the owners of the Company (RM)	<u>70,991,485</u>	<u>65,082,718</u>
Weighted average number of ordinary shares (unit)		
Issued ordinary shares at 1 January [#]	<u>1,097,609,459</u>	<u>1,068,301,459</u>
Effects of:		
Exercise of warrants	<u>3,590,115</u>	<u>21,918,626</u>
Weighted average number of ordinary shares at 31 December	<u>1,101,199,574</u>	<u>1,090,220,085</u>
Basic earnings per ordinary share (sen)	<u>6.45</u>	<u>5.97</u>

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.

	Group	
	2024	2023
Profit after tax attributable to the owners of the Company (RM)	<u>70,991,485</u>	<u>65,082,718</u>
Weighted average number of ordinary shares (unit)		
Weighted average number of ordinary shares at 31 December (basic)	<u>1,101,199,574</u>	<u>1,090,220,085</u>
Effect of dilution:		
Conversion/Exercise of warrants	<u>67,632,312</u>	<u>42,559,240</u>
Weighted average number of ordinary shares at 31 December	<u>1,168,831,886</u>	<u>1,132,779,325</u>
Diluted earnings per ordinary share (sen)	<u>6.07</u>	<u>5.75</u>

[#] Weighted average number of ordinary shares in issue has been adjusted to reflect the adjustments arising from the bonus issue which was completed on 8 March 2024.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. PROPERTY, PLANT AND EQUIPMENT

	At valuation										At cost									
	Leasehold land RM	Buildings RM	IPPT - TMR # RM	IPPT - KPS # RM	IPPT - BS # RM	Leasehold land RM	IPPT - KPS # RM	(Own use) Plant and machinery RM	(Subject to operating lease) Plant and machinery RM	Commercial vehicles RM	Motor vehicles and CCTV RM	Computer and software, renovation, office equipment, signboard RM	Capital work-in-progress RM	Total RM						
Group																				
2024																				
At valuation/cost																				
At 1 January	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						
Additions	-	-	-	244,811	1,188,955	-	-	28,704	-	10,750,000	43,000	36,068	137,290,622	149,582,160						
Reclassification	-	1,640,664	-	-	156,236,926	-	-	-	-	-	-	(1,640,664)	(156,236,926)	-						
Transfer from investment properties (Note 12)	-	-	-	95,126,612	-	-	-	-	-	-	-	-	-	95,126,612						
Revaluation	14,753,051	9,631,908	(6,800,800)	234,808,777	763,074	(5,727,658)	(242,078,513)	-	-	-	-	-	-	5,349,839						
At 31 December	75,018,051	27,796,666	314,000,000	330,180,200	158,188,955	-	-	7,740,171	6,986,619	65,926,420	3,736,553	2,991,822	399,793,673	1,392,359,130						
Accumulated depreciation																				
At 1 January	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						
Charge for the financial year	824,284	754,720	7,872,967	2,986,520	1,250,681	33,693	2,849,335	660,847	-	4,121,657	462,179	350,751	-	22,167,634						
Reclassification	-	1,147,944	-	-	-	-	-	-	-	-	-	(1,147,944)	-	-						
Transfer from investment properties (Note 12)	-	-	-	6,860,167	-	-	-	-	-	-	-	-	-	6,860,167						
Revaluation	(3,634,111)	(3,692,581)	(31,829,820)	(6,860,566)	-	(163,903)	(17,460,330)	-	-	-	-	-	-	(63,641,311)						
At 31 December	400,305	457,846	3,437,555	2,986,121	1,250,681	-	-	4,809,269	6,986,589	44,054,678	2,619,053	2,042,128	-	69,044,225						
Carrying amount																				
At 31 December	74,617,746	27,338,820	310,562,445	327,194,079	156,938,274	-	-	2,930,902	30	21,871,742	1,117,500	949,694	399,793,673	1,323,314,905						

"TMR" refers to Terminal Meru Raya, "KPS" refers to Kampar Putra Sentral, while "BS" refer to Bidor Sentral.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

←----- At valuation -----> <----- At cost ----->												
Group	Leasehold land RM	Buildings RM	IPTT - TMR # RM	Leasehold land RM	IPTT - KPS *# RM	(Own use) Plant and machinery RM	(Subject to operating lease) Plant and machinery RM		Motor vehicles RM	Computer and software, renovation, office equipment, signboard and CCTV RM	Capital work-in-progress RM	Total RM
2023												
At valuation/cost												
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
Accumulated depreciation												
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
Carrying amount												
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 2024

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

	Motor vehicle	
	2024 RM	2023 RM
Company		
At cost		
At 1 January/31 December	<u>166,970</u>	<u>166,970</u>
Accumulated depreciation		
At 1 January/31 December	<u>166,969</u>	<u>166,969</u>
Carrying amount		
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
2024				
Carrying amount				
At 1 January	62,652,316	1,273,583	2,017,300	65,943,199
Derecognition	-	(144,191)	-	(144,191)
Depreciation	(857,977)	(254,457)	(326,448)	(1,438,882)
Revaluation	<u>12,823,407</u>	-	-	<u>12,823,407</u>
At 31 December	<u>74,617,746</u>	<u>874,935</u>	<u>1,690,852</u>	<u>77,183,533</u>
2023				
Carrying amount				
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	<u>(1,077,368)</u>	<u>(212,105)</u>	<u>(326,448)</u>	<u>(1,615,921)</u>
At 31 December	<u>62,652,316</u>	<u>1,273,583</u>	<u>2,017,300</u>	<u>65,943,199</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(a) Right-of-use assets (Cont'd)

The leasehold land generally have lease terms between 31 - 98 years (2023: 36 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 27). 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:

	2024 RM	2023 RM
<u>Occupied leasehold land</u>		
<i>At valuation:</i>		
- IPTT - TMR	35,822,632	32,798,817
- IPTT - KPS	4,977,086	4,769,797
- IPTT - BS	5,974,822	-
- Petrol station	9,534,440	7,012,874
- Tronoh land	11,148,836	10,366,278
- Seri Iskandar land	4,200,020	-
- Others	2,959,910	2,107,102
	<u>74,617,746</u>	<u>57,054,868</u>
<i>At cost:</i>		
- BS - in-progress	-	2,458,334
- Others	-	3,139,114
	-	5,597,448
	<u>74,617,746</u>	<u>62,652,316</u>

(b) Assets pledged as security

As at 31 December 2024, leasehold land, buildings and IPTT at TMR, KPS and BS of the Group with carrying amount of RM891,520,853 (2023: RM591,546,689) are pledged to licensed banks for banking facilities granted to the Company as disclosed in Note 27.

(c) Assets held in trust

The Group has commercial vehicles with carrying amount of RM2,538,722 (2023: RM3,426,982) 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 RM991,248 (2023: RM1,129,392) 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 RM17,288,517 (2023: RM12,480,448) as disclosed in Note 8.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(e) Revaluation of leasehold land, buildings and IPTT

The revaluation of the leasehold land, buildings and IPTT was updated on 31 July 2024 and 9 August 2024 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.

The following table shows the revaluation techniques used in the determination of fair values within Level 3 as well as the significant unobservable inputs used in the valuation models.

Description	Valuation technique	Significant unobservable inputs	Relationship of unobservable inputs to fair value
IPTT - TMR	Income approach	Estimation of discounted cash flows using the net annual income for a projected period of 10 years and the following key inputs: - CAGR 3% p.a. - Discount rate 12% p.a. - Terminal yield rate 9% p.a.	The higher the CAGR, and the lower the discount rate and yield, the higher the fair value.
IPTT - KPS			
(i) Bus terminal and retail space	Income approach	Estimation of discounted cash flows using the net annual income for a projected period of 10 years and the following key inputs: - CAGR 2% p.a. - Discount rate 6% p.a. - Terminal yield rate 14% p.a.	The higher the CAGR and the lower the discount rate and yield, the higher the fair value.
(ii) Hotel	Income approach	Estimated average monthly rental rate per room of RM650.	The higher the estimated average rental rate per square feet, the higher the fair value.
	Cost approach	Estimated construction cost to complete the Hotel per square feet of RM450.	The lower the estimated construction cost, the higher the fair value.
IPTT - BS	Cost approach	Estimated construction costs per square feet for car park of RM95 and main building works of RM340.	The higher the estimated construction costs per square feet, the higher the fair value.
Leasehold land	Comparison approach	Price per square feet ranges from RM15.71 to RM100.	The higher the price per square feet, the higher the fair value.
Buildings			
(i) Commercial shoplot	Comparison approach	Price per square feet of RM430.	The higher the price per square feet, the higher the fair value.
(ii) Petrol stations	Income approach	Estimation of discounted cash flows using the net annual income for a projected period of 10 years and the following key inputs: - CAGR 2% p.a. - Discount rate 9% p.a. - Terminal yield rate 7% p.a.	The higher the CAGR and the lower the discount rate and yield, the higher the fair value.
(iii) Workshop	Cost approach	Estimated construction costs per square feet for main floor area of RM140 and ancillary floor area of RM80.	The higher the estimated construction costs per square feet, the higher the fair value.

Note:

CAGR - Compound annual growth rate
p.a. - Per annum

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

11. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(e) Revaluation of leasehold land, buildings and IPTT (Cont'd)

If the leasehold land, buildings and IPTT currently carried at valuation were measured using the cost model, the carrying amounts would have been as follows:

	2024 RM	Group 2023 RM
Leasehold land:		
At cost	22,186,008	16,476,401
Less: Accumulated depreciation	(2,068,468)	(1,693,321)
	<u>20,117,540</u>	<u>14,783,080</u>
Buildings:		
At cost	15,433,980	13,796,516
Less: Accumulated depreciation	(4,052,599)	(2,532,222)
	<u>11,381,381</u>	<u>11,264,294</u>
IPTT - TMR:		
At cost	332,298,841	332,298,841
Less: Accumulated depreciation	(54,205,656)	(46,929,682)
	<u>278,093,185</u>	<u>285,369,159</u>
IPTT - KPS:		
At cost	337,449,936	-
Less: Accumulated depreciation	(27,156,734)	-
	<u>310,293,202</u>	<u>-</u>
IPTT - BS:		
At cost	157,425,881	-
Less: Accumulated depreciation	(1,244,635)	-
	<u>156,181,246</u>	<u>-</u>

(f) Plant and machinery subject to operating leases

The Group 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. The lease income recognised during the financial year is disclosed in Note 6.

(g) Reclassification from investment properties

During the financial year under review, following the change in the intended usage of certain retail lots of IPTT - KPS, the Directors have reassessed the outcome of such change and determined that the owners-occupied area is not insignificant and therefore, reclassified to property, plant and equipment at its related cost.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. INVESTMENT PROPERTIES

	IPTT - KPS RM	Building RM	Total RM
Group			
2024			
At cost			
At 1 January	95,101,223	6,636,056	101,737,279
Additions	25,389	-	25,389
Transfer to property, plant and equipment (Note 11)	(95,126,612)	-	(95,126,612)
At 31 December	-	6,636,056	6,636,056
Accumulated depreciation			
At 1 January	5,740,647	799,638	6,540,285
Charge for the financial year	1,119,520	132,721	1,252,241
Transfer to property, plant and equipment (Note 11)	(6,860,167)	-	(6,860,167)
At 31 December	-	932,359	932,359
Carrying amount			
At 31 December	-	5,703,697	5,703,697
At fair value	-	7,000,000	7,000,000
2023			
At cost			
At 1 January	87,062,884	6,636,056	93,698,940
Additions	8,038,339	-	8,038,339
At 31 December	95,101,223	6,636,056	101,737,279
Accumulated depreciation			
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	5,740,647	799,638	6,540,285
Carrying amount			
At 31 December	89,360,576	5,836,418	95,196,994
At fair value	92,000,000	6,900,000	98,900,000

The investment properties are held to earn rental income and for capital appreciation.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

12. INVESTMENT PROPERTIES (Cont'd)

The following are the operating income and expenses in respect of the income generating investment properties:

	Group	
	2024 RM	2023 RM
Rental income:		
- IPTT - KPS	23,592,325	27,383,271
- Building	499,200	480,000
Direct operating expenses	<u>1,267,610</u>	<u>441,491</u>

As at 31 December 2024, the building (2023: IPTT – KPS and building) is pledged to licensed banks for banking facilities granted to the Company as disclosed in Note 27.

The fair value of the investment properties as at the end of the current reporting period has been arrived at by reference to market evidence of transaction prices for similar properties (comparison approach) based on valuation performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. As for the fair values as at 31 December 2023, they were determined based on the Directors' best estimate.

The fair values for both financial years have been categorised at Level 3 of the fair value hierarchy.

13. CONTRACT COSTS

	Costs to obtain a contract	
	2024 RM	2023 RM
Group		
At cost		
At 1 January/31 December	<u>3,050,000</u>	<u>3,050,000</u>
Accumulated amortisation		
At 1 January	988,426	649,537
Current charge	<u>338,889</u>	<u>338,889</u>
At 31 December	<u>1,327,315</u>	<u>988,426</u>
Carrying amount		
At 31 December	<u>1,722,685</u>	<u>2,061,574</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 (2023: 9 years) according to the tenure of the agreement with the relevant party.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. INVESTMENT IN SUBSIDIARIES

	Company	
	2024 RM	2023 RM
Unquoted shares at cost:		
At 1 January	207,007,349	177,037,349
Additions	32,000,000	29,970,000
At 31 December	239,007,349	207,007,349

Details of the subsidiaries are as follows:

Name of subsidiaries	Principal place of business/ Country of incorporation	Effective equity interest		Principal activities
		2024 %	2023 %	
CKS Labur Sdn. Bhd.	Malaysia	100	100	Petrol station operator.
Ipoh Link Sdn. Bhd.	Malaysia	100	100	Providing management services for terminal and 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	99.98	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	100	Operator of bus terminal.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. INVESTMENT IN SUBSIDIARIES (Cont'd)

2024

- (a) On 24 September 2024, the Company subscribed for additional 32,000,000 new ordinary shares in TCBS as satisfaction of RM32,000,000 owing from TCBS. Consequently, the effective equity interest in TCBS has increased to 99.98%.

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 of Citipalms is as follows:

	2023 RM
Property, plant and equipment	3,769,983
Other payables	(3,439,249)
Tax payable	(10,734)
Total identifiable net assets acquired, equivalent to fair value of consideration transferred	320,000

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.

Non-controlling interests ("NCI") in a subsidiary

The NCI at the end of the reporting period comprise the following:

	TCBS	
	2024	2023
NCI percentage of ownership and voting interest	0.02%	0.03%
Carrying amount of NCI (RM)	120,280	144,030
Profit allocated to NCI (RM)	29,513	27,235
Total comprehensive income allocated to NCI (RM)	37,446	27,235

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

14. INVESTMENT IN SUBSIDIARIES (Cont'd)

Summarised financial information before intragroup elimination are as follows:

	TCBS	
	2024 RM	2023 RM
At 31 December		
Non-current assets	1,223,795,671	1,117,879,746
Current assets	79,552,553	41,670,026
Non-current liabilities	(456,715,311)	(420,572,204)
Current liabilities	(245,234,033)	(258,879,066)
Net assets	<u>601,398,880</u>	<u>480,098,502</u>
For the financial year ended 31 December		
Revenue	151,484,939	136,526,314
Profit for the financial year	71,378,343	60,551,017
Total comprehensive income	111,043,578	60,551,017
Cash flows from/(used in):		
Operating activities		
Investing activities	132,536,463	106,610,296
Financing activities	(104,887,270)	(243,990,905)
	<u>(31,768,074)</u>	<u>127,037,415</u>
Dividends to NCI	<u>5,742</u>	<u>6,867</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

15. AMOUNT DUE FROM/(TO) SUBSIDIARIES

		Company	
	Note	2024 RM	2023 RM
Amount due from subsidiaries			
Non-trade			
Interest bearing at KLIBOR + 1.90%	(a)	464,475,894	418,810,490
Interest bearing at COF + 1.80% per month	(b)	157,404,755	192,899,194
		<u>621,880,649</u>	<u>611,709,684</u>
Analysed as:			
Repayable within one year		215,875,231	237,540,352
Repayable between one and two years		64,385,988	59,493,717
Repayable between two and five years		252,801,503	183,278,358
Repayable more than five years		88,817,927	131,397,257
		<u>406,005,418</u>	<u>374,169,332</u>
		<u>621,880,649</u>	<u>611,709,684</u>

Amount due to subsidiaries

Non-trade

Interest bearing at COF + 1.80% per month (b) (83,525) (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 the subsidiaries' capital expenditure requirement at terminals and the subsidiaries' working capital requirement by using the proceeds from issuance of Sukuk Murabahah and Sukuk Wakalah (Note 27) and is repayable over 7 years.

(b) The amount is unsecured and is collectible/repayable on demand.

16. GOODWILL

		Group	
		2024 RM	2023 RM
At cost			
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.

NOTES TO THE FINANCIAL STATEMENTS

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16. GOODWILL (Cont'd)

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 5.85% (2023: 7.04%);
- (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% (2023: 2% - 5%) per annum;
- (v) There will not be any significant changes in the prices and supply of trading goods and 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.

17. OTHER INVESTMENT

	Group	
	2024 RM	2023 RM

Financial assets at amortised cost

Investment in structured product with a licensed bank	-	5,007,671
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The investment in structured product with a licensed bank had a maturity period of 5 years and a fixed coupon interest of 4% per annum receivable on quarterly basis. The Group has early redeemed the investment during the financial under review before maturity for working capital purposes.

18. DEFERRED TAX ASSETS/(LIABILITIES)

		Group	
	Note	2024 RM	2023 RM
At 1 January		(33,744,342)	(25,531,097)
Revaluation surplus		(16,557,876)	-
Reversal upon disposal of vacant land	9	-	649,885
Recognised in profit or loss	9	(9,402,140)	(8,863,130)
At 31 December		(59,704,358)	(33,744,342)
Presented as:			
Deferred tax assets		14,992	-
Deferred tax liabilities		(59,719,350)	(33,744,342)
		(59,704,358)	(33,744,342)

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

18. DEFERRED TAX ASSETS/(LIABILITIES) (Cont'd)

The recognised deferred tax (liabilities)/assets before offsetting are as follows:

	Unutilised capital allowance RM	Unutilised tax losses RM	Unutilised investment allowance RM	Property, plant and equipment RM	Revaluation surplus of properties RM	Total RM
Group						
2024						
At 1 January	-	-	11,959,331	(32,886,656)	(12,817,017)	(33,744,342)
Recognised in profit or loss	4,576,496	15,319	(11,959,331)	(2,442,205)	407,581	(9,402,140)
Revaluation surplus	-	-	-	-	(16,557,876)	(16,557,876)
At 31 December	4,576,496	15,319	-	(32,328,861)	(28,967,312)	(59,704,358)
2023						
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	-	-	(9,267,369)	153,849	250,390	(8,863,130)
At 31 December	-	-	11,959,331	(32,886,656)	(12,817,017)	(33,744,342)

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.

19. INVENTORIES

	Group	
	2024 RM	2023 RM
At cost:		
Spare parts	124,396	82,874
Purchase of goods - Terminal	-	144
Trading goods:		
Petrol and diesel fuel	718,925	779,387
Groceries	153,456	184,492
	<u>996,777</u>	<u>1,046,897</u>

The Group recognised inventories as cost of sales amounted to RM31,554,306 (2023: RM32,092,518).

NOTES TO THE FINANCIAL STATEMENTS

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20. TRADE AND OTHER RECEIVABLES

	2024 RM	Group 2023 RM
Trade receivables, gross	27,076,428	28,001,249
Less: Impairment loss		
At 1 January/31 December	(311,230)	(311,230)
	26,765,198	27,690,019
Other receivables	1,497,341	177,106
	28,262,539	27,867,125

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 (2023: 30 to 180 days).

21. CONTRACT ASSETS

	Note	2024 RM	Group 2023 RM
Government support fund	(a)	217,028	1,491,429
Telecommunication tower construction	(b)		
At 1 January		1,166,471	65,292
Revenue recognised during the financial year		1,883,291	2,621,818
Progress billings during the financial year		(1,956,580)	(1,520,639)
At 31 December		1,093,182	1,166,471
		1,310,210	2,657,900

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.

NOTES TO THE FINANCIAL STATEMENTS

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22. OTHER ASSETS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Refundable deposits	3,481,445	1,198,931	1,254,500	4,500
Non-refundable deposits	900,000	28,354	-	-
Prepayments	2,062,137	1,775,911	197,084	115,058
Dividend receivable	-	-	6,271,136	4,190,875
	<u>6,443,582</u>	<u>3,003,196</u>	<u>7,722,720</u>	<u>4,310,433</u>

Included in refundable deposits of the Group are non-interest bearing deposit amounting to RM2,487,327 (2023: RM560,653) placed with a licensed bank for the Group's bank guarantee facility.

23. FIXED DEPOSITS WITH LICENSED BANKS

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Encumbered	27,666,686	22,232,230	27,666,686	21,425,185
Unencumbered	371,141	362,123	29,124	29,121
	<u>28,037,827</u>	<u>22,594,353</u>	<u>27,695,810</u>	<u>21,454,306</u>

The encumbered fixed deposits are pledged to licensed banks as security for bank guarantee facilities granted to certain subsidiaries and the Sukuk Murabahah and Sukuk Wakalah facilities granted to the Company.

The effective interest rates of the Group's and of the Company's deposits range from 2.25% to 2.70% (2023: 1.75% to 2.70%) per annum and the maturities are within 12 months.

24. SHARE CAPITAL

	Group and Company			
	Number of ordinary shares with no par value		Amount	
	2024 Unit	2023 Unit	2024 RM	2023 RM
Issued and fully paid:				
At 1 January	742,130,937	712,822,937	350,100,187	328,120,700
Bonus issue	371,078,520	-	-	-
Exercise of warrants	11,315,893	29,308,000	5,671,203	21,981,000
Transaction cost of shares issue	-	-	(1,030)	(1,513)
At 31 December	<u>1,124,525,350</u>	<u>742,130,937</u>	<u>355,770,360</u>	<u>350,100,187</u>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

24. SHARE CAPITAL (Cont'd)

(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.

2024

During the financial year, the Company increased its issued and paid-up share capital from 742,130,937 ordinary shares (inclusive of 10,399,999 treasury shares) to 1,124,525,350 ordinary shares (inclusive of 15,599,998 treasury shares) by way of the following issuance:

- (i) 53,024 new ordinary shares pursuant to the exercise of warrants at an exercise price of RM0.75 per ordinary share for cash;
- (ii) 11,262,869 new ordinary shares pursuant to the exercise of warrants at an adjusted exercise price of RM0.50 per ordinary share for cash; and
- (iii) 371,078,520 bonus shares (inclusive 5,199,999 bonus shares to be held as treasury shares) on the basis of 1 bonus share for every 2 existing shares held on 8 March 2024.

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.

(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.

Following the completion of the bonus issue exercise, the exercise price and number of Warrants B were adjusted accordingly pursuant to the Deed Poll as further detailed below.

The movement in Warrants B is as follows:

	Group and Company	
	2024 Unit	2023 Unit
At 1 January	125,158,286	154,466,286
Adjustment arising from bonus issue	62,564,765	-
Exercised	(11,315,893)	(29,308,000)
At 31 December	176,407,158	125,158,286

NOTES TO THE FINANCIAL STATEMENTS

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24. SHARE CAPITAL (Cont'd)

(b) Detachable warrants (Cont'd)

Warrants B (Cont'd)

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 RM0.50 each (before 7 March 2024: 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.

25. 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 of the Companies Act 2016 in Malaysia.

As at 31 December 2024, the Company held a total of 15,599,998 (2023: 10,399,999) treasury shares out of its 1,124,525,350 (2023: 742,130,937) issued ordinary shares. The treasury shares are held at a carrying amount of RM7,943,806 (2023: RM7,943,806). Following the bonus issue exercise as disclosed in Note 24 (a), the treasury shares held had also been adjusted accordingly.

Treasury shares have no rights to voting, dividends and participation in other distribution.

26. PROPERTY REVALUATION RESERVE

	Group	
	2024 RM	2023 RM
At 1 January	33,685,790	35,891,680
Revaluation surplus	52,425,341	-
Transfer upon disposal of vacant land	-	(2,205,890)
At 31 December	86,111,131	33,685,790

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.

NOTES TO THE FINANCIAL STATEMENTS

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27. BORROWINGS

		Group		Company	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Secured:					
Lease liabilities	(a)	1,150,161	1,923,321	-	-
Sukuk Murabahah	(b)	428,500,000	473,000,000	428,500,000	473,000,000
Sukuk Wakalah	(b)	300,000,000	-	300,000,000	-
Revolving credit	(c)	36,420,000	37,000,000	36,420,000	37,000,000
Term loans	(d)	19,033,509	27,058,700	19,033,509	27,058,700
		785,103,670	538,982,021	783,953,509	537,058,700
Analysed as:					
Current liabilities					
- within one year		79,205,019	57,296,383	78,442,817	56,523,223
Non-current liabilities					
- between one and two years		88,421,431	75,785,173	88,272,854	75,022,971
- between two and five years		209,899,853	161,765,531	209,737,838	161,512,506
- more than five years		407,577,367	244,134,934	407,500,000	244,000,000
		705,898,651	481,685,638	705,510,692	480,535,477
		785,103,670	538,982,021	783,953,509	537,058,700

At the end of the reporting period, the effective profit/interest rates per annum of the borrowings are as follows:

	Group		Company	
	2024 %	2023 %	2024 %	2023 %
Lease liabilities	4.47 - 7.34	3.12 - 7.34	-	-
Sukuk	5.14	5.22	5.14	5.22
Revolving credit	5.11 - 5.56	5.20 - 5.74	5.11 - 5.56	5.20 - 5.74
Term loans	5.11 - 5.65	5.20 - 5.62	5.11 - 5.65	5.20 - 5.62

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

27. BORROWINGS (Cont'd)

(a) Lease liabilities

	Group	
	2024 RM	2023 RM
Minimum lease payments:		
Repayable within one year	815,900	878,544
Repayable between one and two years	166,870	815,900
Repayable between two and five years	194,076	296,254
Repayable between more than five years	80,784	145,476
	1,257,630	2,136,174
Less: Future finance charges	(107,469)	(212,853)
Present value of lease liabilities	1,150,161	1,923,321
Present value of lease liabilities:		
Repayable within one year (current)	762,202	773,160
Repayable between one and two years	148,577	762,202
Repayable between two and five years	162,015	253,025
Repayable more than five years	77,367	134,934
Repayable after one year (non-current)	387,959	1,150,161
	1,150,161	1,923,321

(b) Sukuk

Sukuk Murabahah

In the financial year ended 31 December 2019, the Company established a Sukuk Murabahah Programme 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.

Sukuk Wakalah

In the financial year ended 31 December 2024, the Company established a Sukuk Wakalah Programme with a total nominal value up to RM1.5 billion, which is structured based on the Shariah Principle of Wakalah Bi Al-Istithmar 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.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

27. BORROWINGS (Cont'd)

(b) Sukuk (Cont'd)

Sukuk Wakalah (Cont'd)

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 23);
- (v) Assignment over the present and future rental proceeds from the customers of IPTT; and
- (vi) 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).

(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).

28. DEFERRED CAPITAL GRANTS

	Group	
	2024 RM	2023 RM
At 1 January	15,307,747	15,670,898
Less: Amortised for the financial year	(363,151)	(363,151)
At 31 December	14,944,596	15,307,747
Analysed as:		
Deferred capital grants	14,944,596	15,307,747
Less: Amount due within one year (shown under current liabilities)	(363,151)	(363,151)
Non-current portion	14,581,445	14,944,596

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.

NOTES TO THE FINANCIAL STATEMENTS

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29. TRADE AND OTHER PAYABLES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Trade payables	1,142,098	1,625,974	-	-
Other payables	21,873,025	10,676,616	161,954	60,690
	23,015,123	12,302,590	161,954	60,690

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 (2023: 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.

30. OTHER LIABILITIES

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Refundable deposits	11,021,281	8,606,007	-	-
Dividend payables				
- owners of the Company	5,544,627	5,487,982	5,544,627	5,487,982
- non-controlling interests	1,464	1,125	-	-
Accruals	1,541,690	1,478,326	211,981	325,897
	18,109,062	15,573,440	5,756,608	5,813,879

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 accruals of the Group and of the Company are accrued borrowings interest amounted to RM133,160 (2023: RM157,539).

NOTES TO THE FINANCIAL STATEMENTS

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31. DIVIDENDS

	Per ordinary share Sen	Total amount RM	Date of payment
2024			
In respect of financial year ended 31 December 2024:			
- First interim single tier dividend	0.75	8,238,699	21 May 2024
- Second interim single tier dividend	0.50	5,492,505	22 August 2024
- Third interim single tier dividend	0.50	5,543,129	18 November 2024
- Fourth interim single tier dividend	0.50	5,544,627	17 February 2025
		24,818,960	
2023			
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
		21,925,595	

On 26 February 2025, the Company has declared a first interim single tier dividend of 0.50 sen per ordinary share amounting to RM5,544,627 in respect of financial year ending 31 December 2025, based on the number of outstanding ordinary shares in issue (net of treasury shares) as at 31 December 2024 and payable on 23 May 2025.

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 2025.

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.

NOTES TO THE FINANCIAL STATEMENTS

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32. RELATED PARTIES DISCLOSURES (Cont'd)

(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	
	2024 RM	2023 RM	2024 RM	2023 RM
With subsidiaries:				
Dividends income	-	-	26,137,458	22,172,333
Back-to-back interest income	-	-	26,912,975	21,579,626
Interest expense	-	-	(83,525)	(19,598)
Interest income	-	-	9,669,529	10,733,764
	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM

With a related party:

Acquisition of subsidiary	-	320,000	-	320,000
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(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	
	2024 RM	2023 RM	2024 RM	2023 RM
Salaries, allowances and bonuses	486,917	486,676	-	-
Fees	84,000	90,000	-	-
EPF	49,039	52,135	-	-
	619,956	628,811	-	-

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

33. CAPITAL COMMITMENTS

(a) Capital commitments

As at the end of the reporting period, the Group has the following commitments:

	2024 RM	Group 2023 RM
Property, plant and equipment	<u>319,144,002</u>	<u>80,727,315</u>

(b) Non-cancellable operating lease commitments

	2024 RM	Group 2023 RM
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As lessor

Future minimum rental receivable:

Within one year	<u>5,457,779</u>	<u>4,281,529</u>
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The Group entered into cancellable operating lease arrangements by renting out certain of its property, plant and equipment and investment properties to third parties. Generally, the lease arrangements have termination clauses with notice period ranging between 1 to 6 months served to either party. As such, the Group determined that the notice period is regarded as the future non-cancellable rental receivable.

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 five (5) 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 telecommunication tower construction	- Telecommunication tower construction operations.
(v) Others	- Investment holding or having principal activities unrelated to operators of IPTT, public transportation, petrol station 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.

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31 December 2024

34. SEGMENT INFORMATION (Cont'd)

(a) Reporting format (Cont'd)

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.

(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:

		2024 RM	Group 2023 RM
Customer A	- Operation of IPTT	29,900,000	32,300,000
Customer B	- Operation of IPTT	18,707,140	24,995,834
Customer C	- Operation of IPTT	24,612,215	22,377,215
Customer D	- Operation of IPTT	22,251,648	-
		<u>95,471,003</u>	<u>79,673,049</u>

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34. SEGMENT INFORMATION (Cont'd)

2024	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	Operation of telecommunication tower construction RM	Others RM	Total RM	Elimination RM	Consolidated RM
Revenue								
External revenue	126,628,806	25,002,156	33,232,139	1,883,291	-	186,746,392	-	186,746,392
Inter-segment revenue	-	8,846,674	703,101	-	26,137,458	35,687,233	(35,687,233)	-
Total revenue	126,628,806	33,848,830	33,935,240	1,883,291	26,137,458	222,433,625	(35,687,233)	186,746,392
Results								
Segment result	104,218,646	1,986,750	906,999	(24,834)	18,425,995	125,513,556	(26,137,458)	99,376,098
Investment revenue	51,206	14,726	-	-	89,329	155,261	-	155,261
Interest income	589,034	35,054	84,377	-	13,080,948	13,789,413	(10,370,058)	3,419,355
Finance costs	(19,803,153)	(138,588)	(103,465)	(33,210)	(3,921,141)	(23,999,557)	10,370,058	(13,629,499)
Profit/(Loss) before tax	85,055,733	1,897,942	887,911	(58,044)	27,675,131	115,458,673	(26,137,458)	89,321,215
Tax expense								(18,300,217)
Profit for the financial year								71,020,998
Other information								
Capital expenditure:								
Property, plant and equipment	138,751,779	10,825,719	4,662	-	-	149,582,160	-	149,582,160
Investment properties	25,389	-	-	-	-	25,389	-	25,389
Depreciation of property, plant and equipment and investment properties	17,381,373	5,113,099	792,335	347	132,721	23,419,875	-	23,419,875
Amortisation of deferred capital grants	363,151	-	-	-	-	363,151	-	363,151
Assets and liabilities								
Segment assets	1,297,359,192	38,431,845	31,182,399	1,754,659	1,197,195,101	2,565,923,196	(910,697,663)	1,655,225,533
Current and deferred tax assets								139,059
Total assets								1,655,364,592
Segment liabilities	112,268,541	14,099,538	1,762,610	856,328	1,385,516,430	1,514,503,447	(673,330,996)	841,172,451
Current and deferred tax liabilities								60,825,647
Total liabilities								901,998,098

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31 December 2024

34. SEGMENT INFORMATION (Cont'd)

2023	Operation of IPTT RM	Operation of public transportation RM	Operation of petrol station RM	Operation of telecommunication tower construction RM	Others RM	Total RM	Elimination RM	Consolidated RM
Revenue								
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)	-
Total revenue	110,905,805	34,398,786	34,474,605	2,621,818	22,172,333	204,573,347	(31,408,045)	173,165,302
Results								
Segment result	91,750,348	2,650,547	1,818,847	614,160	17,088,224	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	13,242,491	(10,961,125)	2,281,366
Finance costs	(19,534,635)	(127,399)	(515,562)	(10,644)	(4,173,666)	(24,361,906)	10,961,125	(13,400,781)
Profit before tax	72,549,629	2,575,675	1,325,397	603,516	26,344,953	103,399,170	(22,172,333)	81,226,837
Tax expense								(16,116,884)
Profit for the financial year								65,109,953
Other information								
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
Assets and liabilities								
Segment assets	1,133,613,271	29,039,594	22,531,185	1,541,618	904,090,894	2,090,816,562	(826,184,980)	1,264,631,582
Current and deferred tax assets								1,117,641
Total assets								1,265,749,223
Segment liabilities	41,986,203	4,668,044	3,209,799	449,001	1,152,671,564	1,202,984,611	(620,818,813)	582,165,798
Current and deferred tax liabilities								34,516,674
Total liabilities								616,682,472

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35. FINANCIAL INSTRUMENTS

Categories of financial instruments

	Group		Company	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial assets				
<u>Amortised cost</u>				
Other investments	-	5,007,671	-	-
Trade and other receivables	28,262,539	27,867,125	-	-
Other assets	3,481,445	1,198,931	7,525,636	4,195,375
Amount due from subsidiaries	-	-	621,880,649	611,709,684
Fixed deposits with licensed banks	28,037,827	22,594,353	27,695,810	21,454,306
Cash and bank balances	257,810,680	64,930,457	251,445,634	53,600,055
	317,592,491	121,598,537	908,547,729	690,959,420
Financial liabilities				
<u>Amortised cost</u>				
Trade and other payables	23,015,123	12,302,590	161,954	60,690
Other liabilities	18,109,062	15,573,440	5,756,608	5,813,879
Amount due to subsidiaries	-	-	83,525	3,309,598
Borrowings	785,103,670	538,982,021	783,953,509	537,058,700
	826,227,855	566,858,051	789,955,596	546,242,867

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, liquidity risk and interest rate 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.

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31 December 2024

35. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(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.

There are no significant changes as compared to the previous financial year.

Credit risk concentration profile

As at 31 December 2024, the Group has significant concentration of credit risk arising from the amounts owing from 3 customers (2023: 3 customers) constituting 75% (2023: 97%) 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 notes to the financial statements.

In managing the exposure to credit risk, the Group holds security deposits from certain major customers as collateral, totalling RM9,540,125 (2023: RM8,062,125), which is 36% (2023: 29%) 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.

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31 December 2024

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)

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 Gross RM	Loss allowances RM	Net RM
Group				
2024				
Neither past due nor impaired	1,310,210	26,062,407	(35,670)	26,026,737
Past due but not impaired:				
Less than 30 days	-	168,958	(30,361)	138,597
31 to 60 days	-	121,527	(27,456)	94,071
61 to 90 days	-	120,541	(27,838)	92,703
More than 90 days	-	602,995	(189,905)	413,090
	-	1,014,021	(275,560)	738,461
	<u>1,310,210</u>	<u>27,076,428</u>	<u>(311,230)</u>	<u>26,765,198</u>
2023				
Neither past due nor impaired	2,657,900	27,545,765	(82,405)	27,463,360
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>

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31 December 2024

35. FINANCIAL INSTRUMENTS (Cont'd)

Financial risk management objectives and policies (Cont'd)

(i) Credit risk (Cont'd)

Cash and cash equivalents and other investment

The cash and cash equivalents and other investment 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.

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.

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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
2024						
Non-derivative financial liabilities						
Trade and other payables	23,015,123	23,015,123	20,107,711	2,907,412	-	-
Other liabilities	18,109,062	18,109,062	18,109,062	-	-	-
Lease liabilities	1,150,161	1,257,630	815,900	166,870	194,076	80,784
Sukuk Murabahah	428,500,000	495,922,986	83,420,494	92,863,827	179,913,092	139,725,573
Sukuk Wakalah	300,000,000	387,483,165	15,392,548	15,390,000	71,584,644	285,115,973
Revolving credit	36,420,000	39,191,084	5,561,230	5,345,888	10,207,256	18,076,710
Term loans	19,033,509	20,230,325	8,818,814	8,393,321	3,018,190	-
	826,227,855	985,209,375	152,225,759	125,067,318	264,917,258	442,999,040
2023						
Non-derivative financial liabilities						
Trade and other payables	12,302,590	12,302,590	5,017,360	1,970,888	5,314,342	-
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 Murabahah	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	-
	566,858,051	668,328,900	104,534,186	100,912,834	200,704,658	262,177,222

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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
2024						
Non-derivative financial liabilities						
Other payables	161,954	161,954	161,954	-	-	-
Other liabilities	5,756,608	5,756,608	5,756,608	-	-	-
Amount due to subsidiaries	83,525	83,525	83,525	-	-	-
Sukuk Murabahah	428,500,000	495,922,986	83,420,494	92,863,827	179,913,092	139,725,573
Sukuk Wakalah	300,000,000	387,483,165	15,392,548	15,390,000	71,584,644	285,115,973
Revolving credit	36,420,000	39,191,084	5,561,230	5,345,888	10,207,256	18,076,710
Term loans	19,033,509	20,230,325	8,818,814	8,393,321	3,018,190	-
	789,955,596	948,829,647	119,195,173	121,993,036	264,723,182	442,918,256
2023						
Non-derivative financial liabilities						
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 Murabahah	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	-
	546,242,867	647,500,863	92,249,009	98,126,046	195,094,062	262,031,746

NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

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	
	2024 RM	2023 RM	2024 RM	2023 RM
Fixed rate instrument:				
Financial assets	284,586,124	90,138,588	279,136,146	75,042,478
Financial liabilities	(1,150,161)	(1,923,321)	-	-
	<u>283,435,963</u>	<u>88,215,267</u>	<u>279,136,146</u>	<u>75,042,478</u>
Floating rate instrument:				
Financial assets	-	-	621,880,649	611,709,684
Financial liabilities	(783,953,509)	(537,058,700)	(784,037,034)	(540,368,298)
	<u>(783,953,509)</u>	<u>(537,058,700)</u>	<u>(162,156,385)</u>	<u>71,341,386</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	
	2024 RM	2023 RM	2024 RM	2023 RM
Effects on profit after tax/equity				
Increase by 25 (2023: 25) basis points	(1,489,512)	(1,020,411)	(308,097)	135,549
Decrease by 25 (2023: 25) basis points	<u>1,489,512</u>	<u>1,020,411</u>	<u>308,097</u>	<u>(135,549)</u>

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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 amounts of the non-current portion of lease liabilities are reasonable approximation of fair values due to 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	
		2024 RM	2023 RM	2024 RM	2023 RM
Borrowings	A	785,103,670	538,982,021	783,953,509	537,058,700
Less:					
Fixed deposits		(28,037,827)	(22,594,353)	(27,695,810)	(21,454,306)
Cash and bank balances		(257,810,680)	(64,930,457)	(251,445,634)	(53,600,055)
Net debts	B	499,255,163	451,457,211	504,812,065	462,004,339
Total equity	C	753,366,494	649,066,751	357,145,899	351,126,627
Debts-to-equity ratio	B/C	66%	70%	141%	132%
Consolidated gearing ratio	A/C	1.04 times	0.83 times	NA	NA

The consolidated gearing ratio is a covenant imposed by licensed banks and shall not at any time exceed 1.50 times.

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31 December 2024

37. CAPITAL MANAGEMENT (Cont'd)

- (b) The FSCR is a covenant imposed by licensed banks (for both Sukuk Murabahah and Sukuk Wakalah) and shall not at any time be less than 1.25 times. During the financial year, there is a change in the FSCR computation as follows.

		Group 2024 RM	2023 RM
Earnings before interest, tax, depreciation and amortisation ("EBITDA")	A	126,709,478	116,753,517
Opening cash and cash equivalents		65,292,580	32,861,531
	B	192,002,058	149,615,048
Total financial service	C	83,795,223	72,750,307
FSCR - previous computation	B/C	NA	2.06 times
FSCR - revised computation	A/C	1.51 times	NA

- (c) The post-dividend FSCR is an additional covenant newly imposed by licensed banks during the financial year for both Sukuk Murabahah and Sukuk Wakalah. It shall not at any time be less than 1.00 times.

		Group 2024 RM
EBITDA		126,709,478
Dividend		(24,818,960)
	A	101,890,518
Total financial service	B	83,795,223
Post-dividend FSCR	A/B	1.22 times

There were no changes in the Group's approach to capital management during the financial year as compared to the previous financial year, other than as disclosed above.

The Group and the Company are in compliance with all externally imposed capital requirements.

38. SUBSEQUENT EVENT

Repurchase and resale of treasury shares

Subsequent to the end of the reporting period, the Company announced to Bursa Malaysia Securities Berhad ("Bursa Securities") the following treasury shares transactions:

- on 25 March 2025, repurchased 1,380,000 of its issued ordinary shares from the open market at an average price of RM0.7312 per share, net of transaction cost, total amounted to RM1,009,000; and
- on 8 April 2025, sold 3,900,000 treasury shares in the open market at an average sale price of RM0.7124 per share, net of transaction cost, total amounted to RM2,778,298.

Following the repurchase and resale of treasury shares, the Company held a total of 13,079,998 treasury shares at carrying amount of RM6,896,507.

ANALYSIS OF SHAREHOLDINGS

As at 28 March 2025

Total number of issued shares	:	1,116,025,827 (Excluding 16,979,998 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	1,172	21.692	69,852	0.006
100 to 1,000	691	12.789	329,274	0.030
1,001 to 10,000	1,894	35.055	9,242,738	0.828
10,001 to 100,000	1,234	22.839	38,186,309	3.422
100,001 to 55,801,290*	412	7.625	1,068,197,654	95.714
55,801,291 and above**	0	0.000	0	0.000
	5,403	100.000	1,116,025,827	100.000

Notes:

* Denotes less than 5% of the issued shares.

** Denotes 5% and above of the issued shares.

SUBSTANTIAL SHAREHOLDERS

Name of Shareholders	Direct	No. of shares held		%
		%	Indirect	
1. Dato' Sri Cheong Kong Fitt	180,073,600 ¹	16.135	81,113,497 ²	7.268
2. Dato' Ong Choo Meng	88,933,750 ¹	7.969	-	-
3. Tan Sri Dato' Tan Chee Sing	67,878,750 ¹	6.082	-	-
4. Datin Sri Lim Sow Keng	55,118,248	4.939	206,068,849 ²	18.465

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 Shareholders	Direct	No. of shares held		%
		%	Indirect	
1. Dato' Sri Cheong Kong Fitt	180,073,600 ¹	16.135	81,113,497 ²	7.268
2. Dato' Cheong Peak Sooi	15,035,397 ¹	1.347	-	-
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 a corporation by virtue of Section 8 of the Companies Act 2016.

ANALYSIS OF
SHAREHOLDINGS

As at 28 March 2025

THIRTY LARGEST SHAREHOLDERS

	No. of shares held	%
1. Datin Sri Lim Sow Keng	55,118,248	4.939
2. CIMB Group Nominees (Tempatan) Sdn Bhd Pembangunan Sumber Manusia Berhad	54,390,054	4.874
3. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	38,005,500	3.405
4. MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Sri Dato' Tan Chee Sing	34,953,750	3.132
5. CIMSEC Nominees (Tempatan) Sdn Bhd CIMB for Dato' Ong Choo Meng	33,000,100	2.957
6. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Ong Choo Meng	28,500,000	2.554
7. Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	27,250,050	2.442
8. Amanah Raya Berhad Kumpulan Wang Bersama Syariah	26,230,000	2.350
9. Phillip Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	26,199,249	2.348
10. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Koh Poh Seng	25,304,000	2.267
11. CGS International Nominees Malaysia (Asing) Sdn Bhd CGS International Securities Singapore Pte Ltd	25,160,950	2.255
12. Amsec Nominees (Tempatan) Sdn Bhd Pledged Securities Account for CBS Link Sdn Bhd	24,840,000	2.226
13. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	22,636,500	2.028
14. Koperasi Angkatan Tentera Malaysia Berhad	21,400,000	1.918
15. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Hiichiikok Equities Sdn Bhd	21,058,500	1.887
16. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	20,578,351	1.844
17. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securites Account for Tan Sri Dato' Tan Chee Sing	18,750,000	1.680
18. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Koh Kin Lip	15,600,000	1.398
19. HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	14,950,000	1.340
20. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chin Chin Seong	14,432,000	1.293

ANALYSIS OF SHAREHOLDINGS

As at 28 March 2025

THIRTY LARGEST SHAREHOLDERS

	No. of shares held	%
21. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Koh Kin Lip	13,465,000	1.207
22. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Basic Index Sdn Bhd	11,467,500	1.028
23. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Tan Kim Heung	10,875,600	0.974
24. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Cheong Peak Sooi	10,835,397	0.971
25. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Ong Choo Meng	10,650,000	0.954
26. HLB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	10,575,000	0.948
27. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Liaw Chee Huai	10,043,150	0.900
28. AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tan Sri Dato' Tan Chee Sing	9,675,000	0.867
29. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Ong Choo Meng	9,300,000	0.833
30. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Gan Boon Tian	7,580,000	0.679
	652,823,899	58.498

ANALYSIS OF WARRANT HOLDINGS

As at 28 March 2025

Total number of warrants issued	:	221,247,016
Total number of unexercised warrants	:	167,632,283
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	1,895	44.172	81,654	0.049
100 to 1,000	880	20.513	340,981	0.203
1,001 to 10,000	1,054	24.569	3,453,503	2.060
10,001 to 100,000	348	8.112	10,875,911	6.488
100,001 to 8,381,613*	106	2.471	66,915,224	39.918
8,381,614 and above**	7	0.163	85,965,010	51.282
	4,290	100.000	167,632,283	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	30,309,336 ^{*1}	18.081	35,382,123 ^{*2}	21.107
2. Dato' Cheong Peak Sooi	2,550,823 ^{*3}	1.522	-	-
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 a corporation by virtue of section 8 of the Companies Act 2016.^{*3} Warrants held through a nominee company.

ANALYSIS OF WARRANT HOLDINGS

As at 28 March 2025

THIRTY LARGEST WARRANT HOLDERS

	No. of warrants held	%
1. MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for CBS Link Sdn Bhd	21,602,562	12.887
2. Datin Sri Lim Sow Keng	13,779,561	8.220
3. Kenanga Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	12,151,687	7.249
4. MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Rezeki Megajaya Sdn Bhd	10,737,450	6.405
5. AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Sim Shiau Tyng	10,350,000	6.174
6. Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	8,681,250	5.179
7. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Keh Chuan Seng	8,662,500	5.168
8. Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	6,187,500	3.691
9. MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Tiara Moden Sdn Bhd	6,100,000	3.639
10. Senandung Asas Sdn Bhd	3,224,812	1.924
11. MIDF Amanah Investment Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Sri Cheong Kong Fitt	3,062,499	1.827
12. Goh Yong Wee	2,598,900	1.550
13. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Dato' Cheong Peak Sooi	2,550,823	1.522
14. RHB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Goh Phaik Lim	2,011,050	1.200
15. Citigroup Nominees (Asing) Sdn Bhd Exempt an for OCBC Securities Private Limited	1,943,149	1.159
16. Maybank Securities Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ho Yock Main	1,652,300	0.986
17. AMSEC Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Chow Chia Wei	1,537,500	0.917
18. Tan Jok Mui	1,504,200	0.897
19. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Liew Ly Chen	1,500,000	0.895
20. Yayasan Guru Tun Hussein Onn	1,374,999	0.820

ANALYSIS OF WARRANT HOLDINGS

As at 28 March 2025

THIRTY LARGEST WARRANT HOLDERS

	No. of warrants held	%
21. Yayasan Guru Tun Hussein Onn	1,374,999	0.820
22. Public Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Lim Lip Eng	1,278,300	0.763
23. Chor Chee Heung	1,050,000	0.626
24. Ong Bee Yun	1,039,650	0.620
25. Chen Lai Peng	927,900	0.554
26. CGS International Nominees Malaysia (Tempatan) Sdn Bhd Pledged Securities Account for Loke Shaw Hoon	758,000	0.452
27. Seow Choon Keat	750,000	0.447
28. Tan Chee Hung	750,000	0.447
29. Affin Hwang Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Teh Poo Seng	726,000	0.433
30. Chung Keat Leong	656,250	0.391
	130,523,841	77.862

LIST OF PROPERTIES

As at 31 December 2024

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 2024 (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 2024 (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	13 years	33,740	19,398	346,385
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 2024 (Date of Valuation)	Commercial land with building (Kampar Putra Sentral) The buildings' CF was dated August 2020.	Leasehold for 99 years, expiring in 2115	5 years	15,033	116,425	332,171
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 2024 (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	8 years	6,076	2,934	13,624

LIST OF PROPERTIES

As at 31 December 2024

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 2024 (RM'000)
The Combined Bus Services Sdn Bhd	PT 18688 & 18689, Mukim Belanja, Daerah Kinta, Perak Darul Ridzuan	31 July 2024 (Date of Valuation)	Vacant commercial land. Intended to construct an integrated public transportation terminal	Leasehold for 99 years, expiring in 2115	-	67,327	-	11,149
The Combined Bus Services Sdn Bhd	PT 11387 Mukim Bidor, Daerah Batang Padang, Perak Darul Ridzuan / Bidor Sentral, Jalan Bidor Sentral 2, Pusat Perdagangan Bidor Sentral, 35500 Bidor, Perak	9 August 2024 (Date of Valuation)	Commercial land with building (Bidor Sentral) The buildings' CF was dated August 2024.	Leasehold for 99 years, expiring in 2118	-	19,834	42,674	162,913
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 2024 (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	10 years	4,092	926	14,864
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 2024 (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	15 years	4,064	908	7,935

LIST OF PROPERTIES

As at 31 December 2024

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 2024 (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 2024 (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	24 years	8,124	1,368	5,131
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 2024 (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	16 years	2,244	652	3,984
Citipalms Sdn Bhd	Lot 16661, PN 1069929, Bandar Seri Iskandar, Daerah Perak Tengah, Perak Darul Ridzuan	31 July 2024 (Date of Valuation)	Vacant commercial land. Intended to construct an integrated public transportation terminal	Leasehold for 99 years, expiring in 2122	-	21,680	-	4,200

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixteenth Annual General Meeting (“**AGM**”) of Perak Transit Berhad (“**Company**”) will be held at Mersawa & Rengas Hall, Level 2, MU Hotel, No. 18, Jalan Chung On Siew, 30250 Ipoh, Perak Darul Ridzuan on Monday, 26 May 2025 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 2024 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’ Cheong Peak Sooi | Resolution 2 |
| b. Mr Ng Wai Luen | Resolution 3 |
| c. Puan Zalinah Binti A Hamid | Resolution 4 |
| 4. To re-appoint Messrs Moore Stephens Associates PLT as Auditors of the Company for the financial year ending 31 December 2025 and to authorise the Directors to determine their remuneration. | Resolution 5 |

AS SPECIAL BUSINESS

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

- | | |
|---|--------------|
| 5. ORDINARY RESOLUTION
AUTHORITY TO ISSUE AND ALLOT SHARES | Resolution 6 |
|---|--------------|

“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

AS SPECIAL BUSINESS (Cont'd)

To consider and, if thought fit, to pass the following resolutions with or without modifications: (Cont'd)

6. ORDINARY RESOLUTION PROPOSED RENEWAL OF SHARE BUY-BACK AUTHORITY

Resolution 7

“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. ORDINARY RESOLUTION RETENTION OF INDEPENDENT NON-EXECUTIVE DIRECTORS

“THAT authority be and is hereby given to Tan Sri Dato’ Chang Ko Youn who has served as an independent non-executive Director of the Company for a cumulative term of more than nine (9) years, be retained as independent non-executive Director of the Company.”

Resolution 8

“THAT subject to the passing of Resolution 3, authority be and is hereby given to Mr Ng Wai Luen who has served as an independent non-executive Director of the Company for a cumulative term of more than nine (9) years, be retained as independent non-executive Director of the Company.”

Resolution 9

NOTICE OF ANNUAL GENERAL MEETING

AS SPECIAL BUSINESS (Cont'd)

To consider and, if thought fit, to pass the following resolutions with or without modifications: (Cont'd)

8. 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
 25 April 2025

NOTES:

- a. A member of the Company entitled to attend and vote at the meeting may appoint any person to be his/her proxy to attend and vote 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 speak at the meeting.
- b. 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.
- c. 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.
- d. 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.
- e. 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:
 - (i) 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, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
 - (ii) 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.
- f. Only members whose names appear on the Record of Depositors as at 19 May 2025 will be entitled to attend, speak and vote at the meeting.
- g. 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.
- h. **Audited Financial Statements for financial year ended 31 December 2024**

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

NOTICE OF ANNUAL GENERAL MEETING

NOTES: (Cont'd)

i. 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 18 November 2024 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.

	Director's fee per month (RM)	Director's fee per annum (RM)
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.

j. Resolutions 2, 3 and 4

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 26 February 2025. 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 pages 170 to 175 of this Annual Report.

k. Resolution 5

The Board through the Audit Committee has assessed and is satisfied with the quality of audit and services, adequacy of resources, performance, competency and independence of the external auditors, Messrs Moore Stephens Associates PLT, which are in accordance with the Paragraph 15.21 of the Listing Requirements, had at their respective meetings on 26 February 2025 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.

l. Resolution 6

Ordinary Resolution 6, if passed, will give authority to the Directors of the Company to allot and issue shares of the Company up to and not exceeding 10% of the total number of issued shares of the Company (excluding treasury shares, if any) for the time being for such purposes as the Directors consider would be in the best interest of the Company without convening a meeting of members. 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.

NOTICE OF ANNUAL GENERAL MEETING

NOTES: (Cont'd)

m. Resolution 7

Ordinary Resolution 7, 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 25 April 2025 for further details.

n. Resolution 8 and 9

The term of office of Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen, as the independent non-executive Directors of the Company, have exceeded a cumulative term of nine (9) years.

Pursuant to Practice 5.3 of the Malaysian Code on Corporate Governance ("MCCG"), the tenure of an independent director should not exceed a term limit of 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 provide justification and seek annual shareholders' approval through a two-tier voting process.

Save for Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen, the Board through the Nomination and Remuneration Committee has deliberated and assessed the independence of Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen, collectively agreed to recommend that Tan Sri Dato' Chang Ko Youn and Mr Ng Wai Luen be retained as the independent non-executive Directors of the Company on the following rationale and justifications:

- (i) They have met the criteria for independent directors pursuant to the Listing Requirements, and are therefore able to provide objectivity, independent judgment and balance to the Board;
- (ii) They serve as Senior Independent Directors with high intellect, honesty and a genuine commitment to serving the best interests of the Company and its shareholders;
- (iii) They do not hold any directorships in other listed companies that would limit their ability to contribute productively to the Company;
- (iv) Their valuable advice on business and financial matters, along with extensive knowledge, continues to add credibility to the Company and does not adversely affect their independence as independent non-executive Directors;
- (v) Although they have served for a consecutive term of more than nine (9) years, they undergo a yearly assessment and review by the Board based on transparent criteria evaluation;
- (vi) Additionally, they make an annual declaration confirming their independence from management and that no business or relationship interferes with their independent judgment; and
- (vii) They have satisfied the fit and proper criteria set out under the Directors' Fit and Proper Policy and possess the relevant character, integrity, experience and time commitment to contribute effectively to the Board.

ADMINISTRATIVE GUIDE OF THE SIXTEENTH ANNUAL GENERAL MEETING (“16th AGM”)

Perak Transit Berhad Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

Day and Date	:	Monday, 26 May 2025
Time	:	9.00 a.m.
Venue	:	Mersawa & Rengas Hall, Level 2, MU Hotel, No. 18, Jalan Chung On Siew, 30250 Ipoh, Perak Darul Ridzuan

REGISTRATION

The registration counter starts at 8.00 a.m. on Monday, 26 May 2025 and will remain opened until the conclusion of the 16th AGM or such time as may be determined by the Chairman of the Meeting.

Shareholders or proxies are requested to produce/show their original MyKAD or Passport (for non - Malaysians) to the registration staff for verification purposes. Please ensure the original MyKAD or Passport is returned to you thereafter.

Please take note that no person will be allowed to register on behalf of another person, even with the original MyKAD or Passport of that person.

Upon verification, shareholders or proxies will also be given the identification wristbands for voting purposes. No person will be allowed to enter the meeting hall without the identification wristband. There will be no replacement for the identification wristband if it is lost or misplaced.

PROXY

Only a member whose name appears on the Record of Depositors as at 19 May 2025 shall be entitled to attend and vote or appoint proxy/proxies to attend and vote on his/her behalf at the 16th AGM.

If you are unable to attend the meeting on 26 May 2025, you may appoint the Chairman of the Meeting as proxy and indicate the voting instructions in the Form of Proxy.

If you wish to personally participate in the 16th AGM yourself, please do not submit any Form of Proxy. You will not be allowed to participate in the 16th AGM together with a proxy appointed by you.

The instrument appointing a proxy shall be in writing signed by the appointor or his/her attorney duly authorised in writing or, if the appointor is a corporation, either under its common seal or under the hand of two (2) authorised officers, one of whom shall be a Director, or of its attorney duly authorised. Any alteration to the instrument appointing a proxy must be initialed.

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited or submitted in the following manner not later than Saturday, 24 May 2025 at 9.00 a.m.

(i) In hard copy form

By hand or post to the office of the Company's Share Registrar at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia or alternatively to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

(i) By electronic form

You may also submit your proxy appointment electronically via TIIH Online website at <https://tiih.online>. Please do read and follow the procedures below to submit the Form of Proxy electronically.

ADMINISTRATIVE GUIDE OF THE SIXTEENTH ANNUAL GENERAL MEETING (“16th AGM”)

Perak Transit Berhad Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

ELECTRONIC LODGEMENT OF FORM OF PROXY

Procedure	Action
i. Steps for Individual Shareholders	
Register as a User with TIIH Online	- Using your computer, please access the website at https://tiih.online. Register as a user under the “e-Services”. Please refer to the tutorial guide posted on the homepage for assistance. - If you are already a user with TIIH Online, you are not required to register again.
Proceed with submission of form of proxy	- After the release of the Notice of Meeting by the Company, login with your username (i.e. email address) and password. - Select the corporate event: “PERAK TRANSIT BERHAD 16TH AGM - SUBMISSION OF FORM OF PROXY”. - Read and agree to the Terms and Conditions and confirm the Declaration. - Insert your CDS account number and indicate the number of shares for your proxy(s) to vote on your behalf. - Appoint your proxy/proxies and insert the required details of your proxy/proxies or appoint the Chairman as your proxy. - Indicate your voting instructions – FOR or AGAINST, otherwise your proxy will decide on your votes. - Review and confirm your proxy(s) appointment. - Print the form of proxy for your record.
ii. Steps for Corporate or Institutional Shareholders	
Register as a User with TIIH Online	- Access TIIH Online at https://tiih.online. - Under e-Services, the authorised or nominated representative of the corporate or institutional shareholder selects “Create Account by Representative of Corporate Holder”. - Complete the registration form and upload the required documents. - Registration will be verified, and you will be notified by email within one (1) to two (2) working days. - Proceed to activate your account with the temporary password given in the email and re-set your own password. Note: The representative of a corporate 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.
Proceed with submission of form of proxy	- Login to TIIH Online at https://tiih.online. - Select the corporate event: “PERAK TRANSIT BERHAD 16TH AGM - SUBMISSION OF FORM OF PROXY”. - Agree to the Terms & Conditions and Declaration. - Proceed to download the file format for “Submission of Form of Proxy” in accordance with the Guidance Note set therein. - Prepare the file for the appointment of proxies by inserting the required data. - Login again to TIIH Online, select corporate event: “PERAK TRANSIT BERHAD 16TH AGM - SUBMISSION OF FORM OF PROXY”. - Proceed to upload the duly completed proxy appointment file. - Select “Submit” to complete your submission. - Print the confirmation report of your submission for your record.

ADMINISTRATIVE GUIDE OF THE SIXTEENTH ANNUAL GENERAL MEETING (“16th AGM”)

Perak Transit Berhad Registration No.: 200801030547 (831878-V) (Incorporated in Malaysia)

GENERAL MEETING RECORD OF DEPOSITORS

For the purpose determining who shall be entitled to attend the 16th AGM, the Company will be requesting Bursa Malaysia Depository Sdn. Bhd. to issue a General Meeting Record of Depositors as at 19 May 2025 and only a depositor whose name appears on such Record of Depositors shall be entitled to attend the said meeting.

NO RECORDING OR PHOTOGRAPHY

No recording or photography of the 16th AGM proceedings is allowed without prior written permission of the Company.

POLL VOTING

The voting at the 16th AGM will be conducted by poll in accordance with Rule 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The Company has appointed TIIH as Poll Administrator to conduct the poll by way of electronic voting.

Shareholders or proxies or corporate representatives or attorneys can proceed to vote on the resolutions upon the announcement by the Chairman of the Meeting.

Upon completion of the voting session for the 16th AGM, the Scrutineers will verify the poll results followed by the Chairman's declaration whether the resolutions are duly passed.

ENQUIRY

If you have any enquiry prior to the meeting, you may contact the Share Registrar during office hours, on Mondays to Fridays, from 9.00 a.m. to 5.30 p.m. (except public holidays) at:

Tricor Investor & Issuing House Services Sdn Bhd

Telephone Number / General Line : 603-2783 9299

Email : is.enquiry@vistra.com

**PERAK TRANSIT BERHAD**

REGISTRATION NO.: 200801030547 (831878-V)
(INCORPORATED IN MALAYSIA)

PeraKTransit

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 _____ NRIC/Passport/Co. No. _____
(FULL NAME IN BLOCK LETTERS)

of _____ Tel No. _____
(ADDRESS)

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 Sixteenth Annual General Meeting (“**AGM**”) of the Company to be held at Mersawa & Rengas Hall, Level 2, MU Hotel, No. 18, Jalan Chung On Siew, 30250 Ipoh, Perak Darul Ridzuan on Monday, 26 May 2025 at 9.00 a.m. or at any adjournment thereof. My/our proxy(ies) shall vote as follows:

Resolutions relating to:		For	Against
1.	To approve payment of Directors’ fees and benefits		
2.	To re-elect Dato’ Cheong Peak Sooi		
3.	To re-elect Mr Ng Wai Luen		
4.	To re-elect Puan Zalinah Binti A Hamid		
5.	To re-appoint Messrs Moore Stephens Associates PLT as Auditors and to authorise Directors to determine their remuneration		
6.	To authorise Directors to Issue and Allot Shares		
7.	To approve the Proposed Renewal of Share Buy-Back Authority		
8.	To authorise Tan Sri Dato’ Chang Ko Youn to continue in office as independent non-executive Director		
9.	To authorise Mr Ng Wai Luen to continue in office as independent non-executive Director		

(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.)

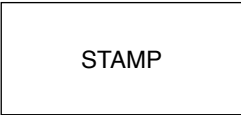
Dated this _____ day of _____ 2025

Signature/Seal of Shareholder

NOTES:

- A member of the Company entitled to attend and vote at the meeting may appoint any person to be his/her proxy to attend and vote 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 speak at the meeting.
- Where a member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
- When a member appoints more than one proxy the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding to be represented by each proxy.
- The instrument appointing a proxy shall be in writing under the hand of the appointor or 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, to be deposited in the drop box located at Unit G-3, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia; OR
 - Electronic lodgement of Form of Proxy - The Form of Proxy can be lodged electronically via TIIH Online website at <https://tiih.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 19 May 2025 will be entitled to attend, speak and vote 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.

Please fold across the line and close



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

Please fold across the line and close

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

www.peraktransit.com.my