



More Than Racing



ANNUAL REPORT 2024





More Than Racing

**THE COMMITTEE FOR
THE YEAR 2024 CONSISTED
OF THE FOLLOWING:**

YBhg Dato' John Lim Ewe Chuan
DPMP (Chairman)

Mr. Velluppillai Williams Balasingam
(Deputy Chairman)

**YBhg Tan Sri Dato' Seri V.
Jeyaratnam**
PSM, DSA, SPMP, DPMP, JP

YBhg Dato' Cheah Choon King
DPMP, JP *(until 14 Oct 2024)*

Mr. Chin Tong Leong

Mr. Soo Lai Kwok

Mr. Vengetraman Manickam

Mr. Leong Kwok Seng

EXECUTIVE STAFF

General Manager & Secretary
Clerk of the Course
Mr. Lai Hah Wan

Assistant General Manager
- Operations & Procurement
Mr. Lum Wee Hou

Finance Manager
Ms. Song Pick Sun

Accountant
Mr. Lester Teow Boon Hung

Personal Assistant to
General Manager & Secretary
Ms. Mok Wai Mei

Track & Landscaping Manager
Mr. J. Jegathesuran

Senior Veterinary Surgeon
Dr. Reza Shashi Singam
D.V.M., M.A.N.Z.C.V.S.,
M.M.C.V.S.

Broadcasting Manager
Mr. Danny Antonysamy

Security Officer
Mr. Mahmood Bin Ahmat

Administrative Secretary
Assistant Clerk of the Course
Ms. Sheila Matthew

AUDITORS

Messrs. Crowe Malaysia PLT

28th May 2025

To : All Life & Ordinary Members
Perak Turf Club

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Life and Ordinary Members of Kelab Lumba Kuda Perak/Perak Turf Club will be held at the OM Lounge, Level 2, Racecourse, Jalan Raja DiHilir, 30350 Ipoh on Thursday, 19th June 2025 at 6:00pm.

AGENDA

1. To confirm the Minutes of the following:
 - a. Annual General Meeting held on 11th June, 2024.
 - b. Extraordinary General Meeting held on 16th May 2024
 - c. Extraordinary General Meeting held on 12th December 2024
2. Matters arising.
3. To receive and consider the Annual Report together with the Audited Financial Statements of the Club for the year ended 31st December 2024. ***(Please go online to: <https://www.perakturfclub.my/> for a digital copy of the Annual Report together with the Audited Financial Statements therein).***
4. To elect four (4) Members to the Committee under Rule 8.6 of the Constitution & Rules of the Club.
5. To appoint an Auditor.
6. Appointment of three (3) Property Administrators for the Club in accordance with Rule 12.1.1.
7. To transact any other business of which notice has been given to the Secretary in writing not less than fourteen (14) clear days before the date fixed for the Annual General Meeting.

By Order of the Committee,

Lai Hah Wan
Secretary

Note: Nomination forms for election to the Committee under Agenda Item no: 4 are available at the Secretary's office during office hours.

Chairman & Committee Members



Dato John Lim Ewe Chuan
D.P.M.P
CHAIRMAN
Management Committee



**Mr. Velluppillai Williams
Balasingam**
DEPUTY CHAIRMAN
Management Committee



**Tan Sri Dato' Seri
V Jeyaratnam**
P.S.M, D.S.A., S.P.M.P.,
D.P.M.P., J.P.



Dato Cheah Choon King
D.P.M.P., J.P.
*until 14 Oct 2024



Mr. Chin Tong Leong
Management Committee



Mr. Soo Lai Kwok
Management Committee



Mr. Leong Kwok Seng



**Mr. Vengetraman
A/L Manickam**
Management Committee

CHAIRMAN'S ADDRESS

Ladies & Gentlemen,

On behalf of the Committee, I am pleased to present herewith the Annual Report, together with the audited Financial Statements of the Club for the year ended 31st December 2024.

The Committee and I are saddened with the passing of Dato' Cheah Choon King, a former Chairman and a committee member, on 14 October 2024. The Committee has co-opted Mr. Lim Thou Lai (OM 688) to serve as a replacement Committee Member until the forthcoming AGM.

As mentioned previously in my communications to you, the Committee is in the process of opening up the Club's facilities to the community by having leisure and recreational activities with dining, banqueting, sports complex as well as a sports bar to appeal to the wider community in line with our direction and vision of "More Than Racing".

As part of the transformation plan, the Club successfully signed a landlord-tenant collaboration deal with a celebrated local coffee brand, Sin Yoon Loong, to open a modern lifestyle café incorporating traditional bamboo design architecture and construction, and featuring a horse racing theme décor. Part of the café is housed in a bungalow owned by the Club. Sin Yoon Loong Café opened for business in mid-December 2024 and has enjoyed continuing good patronage.

The Club has embarked on a new project which involves converting 90 units of disused stables into commercial retail business units, which will collectively be called the Ipoh Stables Market. It is envisioned that the Ipoh Stables Market will provide viable retail space and opportunities for budding as well as seasoned entrepreneurs in Ipoh, with the ultimate goal of becoming a major tourist destination in Ipoh. This project requires City Council consent of which an application has been made and the Club is hopeful that consent will be ultimately granted.

In line with our vision, the club has also embarked on installing sports facilities, including a swimming pool and games courts. In addition, refurbishment work has also commenced on upgrading the special seating lounges exclusively for horse owners and other guests. Space and facilities provisions are also in the works for banqueting, dining and a sports bar. Upon completion, these facilities will complement plans to remake the Club into a sports recreation and lifestyle club.

The Committee is conscious that horse racing remains the core business of the Club and therefore has taken steps to improve the integrity, quality and image of the Club's races to secure the confidence of our racing patrons with the view of increasing the volume of bets on to the tote. The Club has had regular conversations with trainers, owners and jockeys to elaborate on the integrity of our races, in which they play a significant role, for the future of horse racing at Perak Turf Club.

The horse population of the Club has experienced some encouraging growth, mainly thanks to the exodus of horses out of Singapore following the cessation of horse racing in the republic

after 5th October 2024. As at 30th April 2025, the population of race horses at the Club numbered 191 horses, a notable climb from 116 horses recorded on the horse register in the previous year.

In collaboration with Magic Millions, attractive incentives were offered by the Club to buyers of race horses at designated Magic Millions sales events, a move aimed at bringing in quality horses and increasing the horse numbers at the Club. At the same time, together with Magic Millions, a few Australian horse farms also chipped in with sponsorships of the Club's races to promote their horse breeds in conjunction with the Magic Millions horse sale campaigns.

With Macau Jockey Club and thence Singapore Turf Club shuttering their doors on horse racing, the Club inevitably suffered a loss in wagering revenue with the stoppage of Club simulcast races to the former and, in the latter case, cessation of simulcast races from Singapore to the Club.

The Club continued to woo horse trainers to relocate their training bases to our Club by offering good stable facilities following its extensive stable refurbishment and upgrading programme.

The Club has also upgraded its race broadcasting systems to HD standard to provide better quality racing pictures in order to successfully target and prospect new overseas markets.

I have also mentioned previously that the Committee is looking into a new category of membership in the form of Transferable Ordinary Membership as a way of creating value for all our Ordinary Members. This involves significant changes to the Club's Constitution which is in progress with legal input from our lawyers. We target to present the revised Constitution to the Ordinary Members at an EGM at the third quarter of this year, after it has been approved by the Registrar of Societies.

ACCOUNTS & FINANCE

The amount of bets placed on the tote at our Club for the year ended 31st December 2024 was RM49,955,900 (2023: RM51,500,268) a decrease of 3% compared to a decrease of 14% of bets placed on the tote nationally. The decrease on bets placed on the Tote in 2024 was predominantly due to the closure of Singapore Turf Club and a declining attendance on our race days.

The Club's racing revenue for the year, inclusive of a subsidy from the Totalisator Board Malaysia of RM5,057,980 decreased from RM11,503,273 in 2023 to RM11,248,486 for the year ended 31st December 2024.

Pursuant to approval granted at an Extraordinary General Meeting held on 16 May 2024, 2 pieces of land deemed non-strategic assets to the Club were sold via open tender for a combined value of RM95 million. The land transaction has been completed and the sales proceeds thereof have been received by the Club in the period under review.

The Club registered an operating deficit before the above land sales proceeds, tax and transfer from capital fund of RM4,752,271 as compared to RM3,524,716 in 2023. The net surplus after land sales proceed, taxation and transfer from capital fund was RM83,128,649 (2023: Net deficit RM3,025,140).

CLUB ACTIVITIES

During the year under review, the Club had to contend with many challenges in implementing its racing programme.

For 2024, the Club staged 22 on-course race days featuring a total of 193 races. In addition, the Club held 75 off-course race days in which live telecasts of races were beamed in from Penang, Selangor, Singapore, Hong Kong and Australia.

The first feature race meeting of the year, the Perak Derby Race Meeting, kicked off on 7th April 2024. Besides staging the gruelling 2000-metre Perak Derby, the meeting also produced the running of the JRA Trophy 2024.



The winning owners and rider of Trumpy, the Perak Derby winner, posing with PRTC Committee Members



Lady guests in their trendy best at the Perak Derby luncheon

The next feature race meeting, the Gold Vase Race Meeting was held on 16th June 2024. The star event of the race meeting was the running of the feature race, BYD Ipoh Gold Vase, which was sponsored by the internationally acclaimed corporate brand, BYD, a world leader in electric vehicles.



Group photo of the Sponsor, BYD's delegates and winning connections of the 2024 BYD-Gold Vase winner, Kong Fu Panda, with PRTC Committee Members and distinguished guests

In line with its CSR programme, a Charity Day Race Meeting was held on 25th August 2024 to honour the Club's continuing support of the cause of charity by engaging with many local community welfare organisations in its home state of Perak. Apart from the running of its annual eponymous feature race, the Charity Cup 2024, a notable highlight of the day was the donation cheque presentation in which 32 charitable and community welfare organisations in Perak received donations from the Club to help fund their activities and noble work. After the cheque presentation, the Committee hosted the cheque recipients to high tea at the David Jeyaratnam Lounge.



Group photo of the Guests of Honour, the winning connections of the 2024 Charity Cup winner, Trigger Pegasus, together with PRTC Committee Member



Donation cheque recipients posing for a group photo with the PRTC Committee Members & Guests of Honour

The novel Perak Turf Club Community Shield Race Meeting was next in line, being held on 29th September 2024. It featured the introduction of the Perak Turf Club Community Shield, a feature race which was run for the very first time. This race marked the Club's debut engagement with various quarters of the Ipoh community in its efforts to remake and diversify the Club's business and activities portfolio in line with its motto, More than Racing.



The winning connections of the 2024 Community Shield winner, Quicken Away, posing for a group photo with PRTC Committee Members and distinguished guests

To wrap up the feature race programme, the annual Coronation Cup Race Meeting was held on 3rd November 2024 which featured the running of the ESG Kawan-Coronation Cup 2024, sponsored by Kawan Renergy Berhad, an Ipoh-based company listed on Bursa Malaysia. In addition, the race meeting also staged the running of the Mitavite 26th Anniversary Cup, sponsored by Mitavite Asia, the renowned brand for quality horse fodder and equine products. The same race meeting also introduced the running of the special Singapore Pools Trophy to mark the association and rapport with the Club's overseas wagering business partner, Singapore Pools Pte Ltd.



The winning connections of the ESG Kawan-Coronation Cup 2024 winner, Mega Gems, in a group photo with PRTC Committee Members and distinguished guests



Mitavite delegates and guests posing for a group photo with the winning connections of the Mitavite Asia Cup 2024 winner, Master Jiangmen, and PRTC Committee Members



The winning connections of the Singapore Pools Trophy 2024 winner, Shang Chi in a group photo with PRTC Committee Members, SPPL delegates and distinguished guests

Besides encompassing the fervour and passion of horse racing, these feature race meetings were also very much upbeat social affairs, with special luncheons hosted by the Committee for special guests, locally and from abroad, and attended by many distinguished Club members.

VETERINARY SERVICES

Primary care veterinary services for horses stabled at the Club were provided by the veterinary team of the Equine Hospital. The team's scope of duties also included veterinary regulation of race meetings and official barrier trials, supervision of pre-race and post-race drug testing, official veterinary examinations and reports of horses, stables, floats, spelling and quarantine facilities, and attendance at race inquiries and appeals at the request of the racing officials.

Student placements involved 15 veterinary medicine students (clinical 4th & 5th years in Universiti Putra Malaysia and Universiti Kebangsaan Malaysia) in various batches of "seeing practice" at the Equine Hospital. A student from the Royal Veterinary College London was also on placement with us for a month.



Collaborative work on equine anaesthesia

CONCLUSION

In the period under review, the Club carried out its racing and other business programmes amid a very formidable and challenging business environment, shaped in no small part by the closure of horse racing in Singapore Turf Club.

The year ahead will again present fresh challenges that will require no less than full commitment and cooperation from all stakeholders to play their part in order to achieve the goals that are in the best interests of the Club and its members.

In closing, I would like to sincerely record my appreciation and thanks to my fellow Committee Members, Honorary Officials, MRA Officials, other officials and the staff of Perak Turf Club for their valuable contributions and assistance rendered during the year. In addition, I would like to thank the press, the horse owners, trainers, jockeys and the Ordinary Members for their support and cooperation given to the Club.

Dato John Lim
Chairman
Perak Turf Club

KELAB LUMBA KUDA PERAK PERAK TURF CLUB

MINUTES OF THE ANNUAL GENERAL MEETING HELD ON TUESDAY, 11 JUNE, 2024 AT THE OM LOUNGE OF PERAK TURF CLUB AT 6:15 PM

Committee Members Present : Ybhg Dato John Lim Ewe Chuan
Mr. Velluppillai Williams Balasingam
Mr. Chin Tong Leong
Mr. Soo Lai Kwok
Mr. Vengetraman Manickam
Mr. Leong Kwok Seng

Absent with apologies : Ybhg Tan Sri Dato Seri V Jeyaratnam
Ybhg Dato Cheah Choon King

Ordinary Members Present:

Mr. Choo Choy Meng	454	Mr. Alan Lee Kin Wai	369	Mr. Yue Shen Chun	326
Mdm Claire Chow Choy Fang	479	Mr. Gurdip Singh R Singh	289	Mdm Wong Yock Lan	379
Datin Chin Sooi Kin	516	Mr. Thirunavukarasu	509	Mr. Wong Fah Sen	453
Mr. Tan Kok Keong	533	Dr. Hardy Singh	137	Mr. Temujin Singh	291
Mr. Mike Teoh Tuan Leong	442	Dato Frederick I. Nicholas	560	Mr. Soon Seok Liang	418
Mr. Jeffery Liew Kar Peng	632	Mdm Chan Mou Keat	370	Mr. Yeoh Lam Beng	059
Mr. Chin Tong Leong	216	Mr. Calvin Chee Wai Kin	385	Mr. Chin Kin Yuk	164
Dato John Lim Ewe Chuan	030	Dato Shum Long Sang	656	Mdm Ratnamalar Jeyaratnam	024
Mr. Dickson Sundaram	447	Mr. Suresh Kumar Siraman	069	Mr. Sarveswaran Rajasegaran	268
Mr. Ng Choo Heng	558	Dr Thomas Arulananthan	596	Mr. Jayagobi Krishnan	044
Mr. Wong Kah Kian	581	Mr. Leong Kwok Seng	562	Mdm Leong Lan Fong	140
Mr. Sreethararaj Nadarajah	174	Mr. Leroy Foo Yoke Hoong	020	Dr T Shanmugam	194
Mr. Te h Cheong Suan	360	Mr. Ahmad Imtaz	666	Mr. Tang Peng Yam	663
Dato Gregory Wong Guang Seng	398	Mr. Nithiananthan Vasudevan	569	Mdm Charmalee Sivapragasam	669
Mdm Thirulchelvi R Murugiah	209	Madam Vicky Ooi Pooi Ni	159	Mr. Tan Chik Fatt	351
Mr. Soo Lai Kwok	638	Mr. Chow Kit Mun	246	Mr. Lee Kwan Meng	345
Mdm Au Yeong Thong Hoe	165	Mdm Tam Lai Leng	245	Mr. Yeong Pang Hee	136
Dr Chin Kit Kong	262	Dato Eddie Leong Chee Mun	655	Mr. Ernest Balasingam	254
Mr. Lim Soo Ching	115	Mr. Foo San Choong	235	Mr. Mangal Singh	023
Mr. V Williams Balasingam	120	Mr. Ronnie Teo Koh Yong	422	Mr. Leong Tuck Heng	022
Mdm Cheah Pik E	364	Mr. Vengetraman Manickam	034	Mr. Nicky Chan Chee Onn	582

63 members attended the Annual General Meeting on Tuesday, 11 June 2024.

In attendance:

Mr. Lai Hah Wan	[General Manager & Secretary]
Mr. Lum Wee Hou	[Assistant General Manager – Operations & Procurement]
Ms. Song Pick Sun	[Finance Manager]
Mr. Leong De Shuan	[Manager, Ernst & Young]

The meeting was called to order at 6:15 pm after it was established that the required quorum of fifty [50] members had been met. Dato John Lim Ewe Chuan chaired the meeting.

The Chairman conveyed the apologies of Tan Sri V Jeyaratnam and Dato Cheah Choon King who were unable to attend the AGM.

He referred the members to the Notice of Meeting dated 13 May 2024 - sent out to all members earlier by the Secretary – which was taken as read. He then proceeded to the items of business on the agenda.

1. Confirmation of the Minutes of the Annual General Meeting held on Thursday, 1st June, 2023

The Chairman tabled the minutes of the Annual General Meeting held on Thursday, 1st June 2023, which had been circulated earlier to all the Life & Ordinary Members, for their consideration.

As there were no amendments to the minutes, the minutes were confirmed following a motion proposed by Mr. Ng Choo Heng [OM 558] and which was seconded by Mr. Leong Tuck Heng [OM 022].

2. Matters Arising from the Minutes of the Annual General Meeting held on 1st June 2023

As there were no matters arising, the Chairman moved on to the next item on the agenda.

3. To receive and consider the Annual Report together with the Audited Financial Statements of Perak Turf Club for the year ended 31st December, 2023

The Chairman tabled the Annual Report and Audited Financial Statements for the year ended 31st December, 2023 for consideration by the members.

As there were no questions or queries posed by the members, the Annual Report and Audited Financial Statements for the year ended 31st December, 2023 were accepted after a motion proposed by Encik Ahmad Imtaz [OM 666] and which was seconded by Dr. Hardy Singh [OM 137].

4. Elections to the Committee

The Chairman stated that in accordance to Rule 8.6 of the Club's Constitution, there shall be elections each year to fill four (4) vacancies on the Committee. He explained that the vacancies this year arose out of the rotational retirement of four (4) Committee Members (as per Rule 8.6) who, being eligible, have offered themselves to be nominated for re-election. They were:

- i. Dato John Lim Ewe Chuan [OM 030]
- ii. Tan Sri V Jeyaratnam [OM 001]

- iii. Dato Cheah Choon King [OM 103], &
- iv. Mr. Velluppillai Williams Balasingam [OM 120]

He informed the meeting that at the close of nominations on 27th May 2024, a total of four (4) nominations were received by the Secretary's Office in respect of the aforesaid four (4) persons.

Since there were no other nominations received apart from the abovementioned four (4) nominations, the Chairman announced that Tan Sri V Jeyaratnam, Dato Cheah Choon King, Mr. Velluppillai Williams Balasingam and himself, were re-elected to the Committee without contest.

This was acknowledged by the meeting with a round of applause.

5. Appointment of Auditors For The Club

On behalf of the Committee, the Chairman informed the members that M/s Ernst & Young had been the Club's auditors for the past many years and that they had carried out their duties diligently and professionally.

He added that the Committee had therefore recommended that M/s Ernst & Young be re-appointed as the Club's auditors.

The re-appointment of M/s Ernst & Young as auditors was approved following a motion proposed by Dato Gregory Wong Guang Seng [OM 398] and which was seconded by Mr. Suresh Kumar Siraman [OM 069].

6. To transact any other business of which notice has been given to the Secretary in writing not less than fourteen (14) clear days before the date fixed for the Annual General Meeting.

The Chairman stated that no notice in writing of any other matters has been received 14 clear days before the date of the Annual General Meeting by the Secretary for inclusion in the AGM's agenda.

As all items of business on the agenda had been concluded, the Chairman ended the Annual General Meeting at 6:25 pm and thanked the members for their attendance.

Dato John Lim Ewe Chuan
Chairman

Lai Hah Wan
Secretary

KELAB LUMBA KUDA PERAK PERAK TURF CLUB

MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON THURSDAY, 16 MAY 2024 AT THE OM LOUNGE OF PERAK TURF CLUB AT 6:05 PM

Committee Members Present : Ybhg Dato John Lim Ewe Chuan
Mr. Velluppillai Williams Balasingam
Ybhg Dato Cheah Choon King
Mr. Chin Tong Leong
Mr. Soo Lai Kwok
Mr. Vengetraman Manickam

Absent with apologies : Ybhg Tan Sri Dato Seri V Jeyaratnam
Mr. Leong Kwok Seng

Ordinary Members Present:

Mr. Yeow Boo Teik	255	Mr. Edwin Seibel	624	Mr. Ho Yuk Shaw	394
Mdm Claire Chow Choy Fang	479	Mr. Leong Tuck Heng	022	Mdm Wong Yock Lan	379
Mr. Soon Seok Liang	418	Mr Rajandran M Balakrishna	464	Mdm Shalini Ramanathan	330
Mr. Soo Lai Kwok	638	Mdm. Chan Mou Keat	370	Mdm Kamala Veluppillai	200
Mr. Mike Teoh Tuan Leong	442	Mr. Leong Pau Foong	127	Mr Eugene Tan Chek Jin	458
Mr. Ernest Balasingam	254	Mr. V Williams Balasingam	120	Mr Peter Lee Hoong Ch'ng	616
Mr. Jeffery Liew Kar Peng	632	Mr. Ronnie Teo Koh Yong	422	Mr Peter Daniel Kwa	018
Mr. Chin Tong Leong	216	Mr. Tan Kok Keong	533	Mr Wong Jo Han	224
Dato John Lim Ewe Chuan	030	Mr. Nicky Chan Chee Onn	582	Mr Raymond Selvaraj Victor	283
Mr Adrian Tsen Keng Yam	396	Mr. Alan Lee Kin Wai	369	Mr Leong Seong Hee	236
Mr. Ng Choo Heng	558	Mr. Gurdip Singh R Singh	289	Mdm Maureen Lim	304
Dato Cheah Choon King	103	Mr. Thirunavukarasu	509	Tan Sri Chang Ko Youn	225
Mr Hong Sok Thong	344	Mr. Suresh Kumar Siraman	069	Mdm Rozieta Hamdan	684
Mr Lim Meow See	265	Mr. Chee Pak Hoo	385	Mr Choo Choy Meng	454
Mdm Charmalee Sivapragasam	669	Mr Sivanesan Sivalingam	155	Mdm Thiruchelvi R Murugiah	209
Mr Sreethararaj Nadarajah	174	Dato Greogory Wong	398	Mr Jayagobi Krishnan	044
Mr Yeoh Lam Beng	059	Mr Temujin Singh	291	Mr Mangal Singh	023
Mdm Leong Lan Fong	140	Mr Yeoh Pang Hee	136	Mr Lee Kwan Meng	345
Mdm Gowrie T Navaratnam	134	Mr See Hock Poh	444	Mr Ahmad Imtaz	666
Mr Vengetraman Manickam	034	Dato Frederick Nicholas	560		

59 members attended the EGM on Thursday, 16 May 2024

In attendance:

Mr. Lai Hah Wan	[General Manager & Secretary]
Mr. Lum Wee Hou	[Assistant General Manager – Operations & Procurement]
Ms. Song Pick Sun	[Finance Manager]

After establishing that there was a quorum, Dato John Lim Ewe Chuan called the Extraordinary General Meeting (“EGM”) to order at 6:05pm. He chaired the meeting.

The Chairman addressed the members present and informed them that the purpose of the EGM was to consider and approve the 3 Resolutions that were stated in the Agenda in the Notice of EGM dated 22 April 2024, which was sent to all members earlier.

He stated that under Rule 7.3.3 of the Club’s Constitution, the EGM shall be confined strictly to matters stated in the Agenda for the EGM and that no other motion shall be entertained.

He then called on the Secretary, Mr. Lai Hah Wan, to read out the 3 Resolutions that were tabled for consideration at the EGM.

The Secretary read out the 3 Resolutions, which were:

Resolution 1

“It is hereby RESOLVED that approval be and is hereby given for sale by open tender or otherwise of a piece of commercial land measuring 9,376 sq. metres (2.3168 acres) held under Geran Hakmilik 404953 Lot 396706 Bandar Ipoh (U), Daerah Kinta, Negeri Perak together with a 2-storey building thereon located at Jalan Kelab Golf, 30350 Ipoh and that the Committee be empowered to take all steps necessary to fulfill and conclude the sale of the aforesaid land accordingly.”

Resolution 2

“It is hereby RESOLVED that approval be and is hereby given to:

a. Sports Facilities

Design and construct any or all of the following: a swimming pool, tennis courts, squash courts, badminton courts, a gymnasium, changing rooms and create space for F&B casual dining on Level 1 at the Left Wing of the Grandstand Building; &

b. F&B Facilities & Refurbishment of Owners, Trainers & Jockeys Enclosures

Design, construct and create space for a sports bar and F&B fine dining facilities, and refurbishment of the Owners, Trainers & Jockeys Enclosures on Level 2 at the Right Wing of the Grandstand Building;

and that the Committee be empowered to take all steps necessary to fulfill and achieve the development of the aforesaid facilities which are estimated at a cost of RM6.5 million.”

Resolution 3

"It is hereby RESOLVED that approval be and is hereby given to authorise the Committee to deal and dispose of a piece of residential land measuring 47,803 sq. metres (11.8 acres) held under Geran Hakmilik 61627 Lot 29711 Bandar Ipoh (S), Daerah Kinta, Negeri Perak, which forms part of the Club's Straight Course, via the following options, that is, either by:

- a. Sale by open tender or otherwise of the vacant land; **OR***
- b. Fully developing the land by building and selling high-end 2-storey detached bungalows; **OR***
- c. Undertaking development of the land (via phases) by building and selling a designated number of high-end 2-storey detached bungalows in each phase, and selling the remaining land as vacant detached bungalow lots if sales fall short of expectations;*

and that the Committee be empowered to evaluate and choose the most optimal option and to deal with the aforesaid land in the best interests of the Club."

After the Secretary had read out the 3 Resolutions, the Chairman informed the members that in his letter accompanying the Notice of EGM, he had shared with members the Club's vision and the proposed transformation plan of the Club.

The Chairman then touched briefly on the salient points in his letter, highlighting that the Resolution approvals sought at this EGM will enable the Club to carry out its plans as follows:

- develop new sports facilities including a swimming pool, squash courts, tennis courts, badminton courts, a gymnasium and a casual F&B dining outlet;
- provide facilities for fine dining and a sports bar, and invite experienced and reputable restaurateurs to operate them;
- refurbish the OTJ Enclosures which will be utilized for racing on race days and for dining and banqueting purposes on non-racing days.
- add value to the Club's memberships by introducing a new class of transferable ordinary membership ("TOM") with a substantially higher entry/joining fee, and providing an option for existing Ordinary Members to convert to TOM by paying a transfer fee, with details to be worked out later.
- build up a strong balance sheet with a healthy cash reserve position to benchmark a respectable value to the TOM.
- transforming the image of the Club, perceived to be a gambling club to that of a sports/country club.

The Chairman then invited the Club's architect, Mr. Wei Yeong, to conduct a presentation regarding the Club's plans for the sports and dining facilities, refurbishing the Owners-Trainers-Jockeys ("OTJ") Enclosures, as well as an overview of the 2 pieces of land that were tabled for consideration and approval under Resolution 1 and Resolution 3, respectively.

Mr. Wei Yeong then commenced his presentation which comprised pictorial visuals in colour which were shown to the meeting audience via large TV screens. The visuals presented showed the site location and artist impressions of the various sports facilities, the dining and F&B outlets, and the OTJ Enclosures. He further showed the location of the 2 pieces of land in question and their relative positions within the overall premises and compound of the Club.

After Mr. Wei Yeong had concluded his presentation, the Chairman thanked him and invited questions from the floor regarding the matters on the Agenda.

As no questions were posed by members regarding the matters covered by the 3 Resolutions, the Chairman instructed the Secretary to proceed with voting on the 3 EGM Resolutions. In this regard, he announced the Committee's appointment of two Scrutineers, Mr. Edwin Seibel [OM 624] and Mr. Ernest Balasingam [OM 254], who were tasked to oversee the entire voting process.

Next, the Secretary read out the Scrutineers' Proxy Report which showed that at the close of proxy submission, a total of 171 proxies had been received, in which seven (7) proxy receivers were named therein, respectively, to vote on behalf of the proxy-giving members. The proxies given also contained clear instructions to the proxy receivers on what to vote on each of the 3 Resolutions.

The Secretary then announced that in-person voting by the members present on the 3 Resolutions shall be carried out by a show of hands. He also clarified that any member present at the meeting, who had already given his proxy, was not eligible to vote in person. He then conducted the in-person voting by eligible members present with the assistance of the Scrutineers who counted the votes.

After the voting process by a show of hands was concluded, the Secretary tabulated the in-person votes together with the registered proxy votes, and submitted the results via the Votes Tally Report to the Scrutineers for their confirmation, and thereafter submitted the same to the Chairman.

Reading from the Votes Tally Report, the Chairman announced the voting results on the 3 Resolutions as follows:

Description	Voted FOR	Voted AGAINST
Resolution 1	208	3
Resolution 2	211	1
Resolution 3	203	5

The Chairman then declared that, based on the voting results, all 3 Resolutions have been duly approved.

This was acknowledged by the meeting.

As all matters on the Agenda had been concluded, the Chairman ended the EGM at 6:40pm after thanking the members for their attendance.

Recorded by:

Lai Hah Wan
Secretary

Confirmed by:

Dato John Lim Ewe Chuan
Chairman

End

KELAB LUMBA KUDA PERAK PERAK TURF CLUB

MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON THURSDAY, 12 DECEMBER 2024 AT THE OM LOUNGE OF PERAK TURF CLUB AT 6:00 PM

Committee Members Present : Ybhg Dato John Lim Ewe Chuan
Mr. Velluppillai Williams Balasingam
Mr. Soo Lai Kwok
Mr. Vengetraman Manickam

Absent with apologies : Ybhg Tan Sri Dato Seri V Jeyaratnam
Mr. Chin Tong Leong
Mr. Leong Kwok Seng

Ordinary Members Present:

Dato John Lim Ewe Chuan	030	Mdm Ooi Pooi Ni	159	Mdm Yeoh Chee Pui	371
Mr V Williams Balasingam	120	Mr Yue Shen Chun	326	Mr Suresh Kumar	069
Mr Soo Lai Kwok	638	Mr Lim So Ching	115	Mr Teoh Teik Kean	150
Mr Vengetraman Manickam	035	Dato Poo Tak Kiau	441	Mr Chin Won Ping	579
Ms Chow Choy Fang, Claire	479	Mdm Chan Sau Ying	211	Mdm Diana Kaur Mangal Singh	608
Mr Shaun Chin Jun Yew	340	Mr Ernest Balasingam	254	Dato Dr Vasan Sinnadurai	300
Mr Woo Kam Hong	384	Mr Ahmad Imtaz	666	Mr Soong Kwei Wah	449
Mr Hong Sok Thong	344	Mr Yeoh Lam Huat	435	Mr Teo Koh Yong	422
Mr Chen Kar Mun	570	Mr Edwin Siebel	624	Mr Liew Kar Peng	632
Mr Lee Kin Wai	369	Mdm Maureen Lim	304	Dr Chan Wai Ming	532
Mr Sarveswaran Rajasegaran	268	Mdm Wong Yock Lan	379	Mr Shum Chee Wah	181
Mr Gurdip Singh	289	Mr Leong Siong Hee	236	Mr Teh Seng Heng	349
Mr Lim Meow See	265	Mr Wong Kah Kian	581	Mr Cheah Sin Chye	661
Dato Sivanesan Sivalingam	155	Mdm Gowrie Navaratnam	134	Mr Vincent Lee Sieng Tzi	548
Mdm Ong Yoke Hong	682	Mr Thiru Arasu	504	Mr Teoh Tuan Leong	422
Dato Frederick Nicholas	560	Mr P Chandrasegaran	633	Mr Lee Chee Fatt	514
Mdm Anne Shamini	288	Mr Michael Lee Onn Hea	042	Mr Leong Pau Foong	127
Mr Leong Tuck Heng	022	Mr Edward Foo	598	Mr Dickson Sundaram	447
Dr Hardy Singh	137	Mr Chee Pak Hoo	385	Mr Chin Kit Kong	262
Mr Mohd Danial Kwa	018	Mr Ng Choo Heng	558	Mdm Shalini Ramanathan	330
Mr Yeoh Lam Beng	059	Mr Tan Kok Keong	533	Mr Yeoh Pang Hee	136
Mr Ho Kat Ann	056	Mr Woo Chee Wai	618	Mdm Leong Lan Fong	140
Dato Pajan Singh Gill	161	Mdm Charmalee Sivapragasam	669	Mr Chan Chee Onn	582
Mdm Amritpal Alena Kaur Gill	397	Mr Choy Mew Kong	512	Mr Choo Choy Meng	454
Mr Chen Yuet Meng	047	Datin Wong Cheng San	430	Mr Wong Fah Sen	453
Mr Eow Yoke Teik	566	Mr Yow Yan Seong	511	Mr Foo Man Choy	355
Dato Gan Tack Kong	572	Mr Adrien Tsen Keng Yam	396	Mr Tang Peng Yam	663
Mr Chen Kar Mun	570	Mr Leroy Foo Yoke Hoong	020	Mr Jayagobi Krishnan	044
Mr Mangal Singh	023	Dato Shum Long Sang	656	Mdm Chew Ginla	550
Mr Kong Chee Weng	602	Mr Foo San Choong	235	Mr Foo San Kang	689
Mr Hamdan B Mohamed	467				

91 members attended the EGM on Thursday, 12 December 2024

In attendance:

Mr. Lai Hah Wan	[General Manager & Secretary]
Mr. Lum Wee Hou	[Assistant General Manager – Operations & Procurement]
Ms. Song Pick Sun	[Finance Manager]

After having been informed by the Secretary that there was a quorum, Dato John Lim Ewe Chuan, who chaired the meeting, called the Extraordinary General Meeting (“EGM”) to order at 6:00pm.

The Chairman addressed the members present and informed them that before proceeding to the agenda of the EGM, he wished to update them on recent key developments of the Club, of which the following were highlighted:

- The horse population of the Club was growing steadily - nearing 200 horses – with 2 trainers from Singapore relocating their training base to Ipoh.
- The upgrading of the Club’s race broadcasting system (full HD standard) to produce quality racing pictures for overseas markets to augment its betting revenues.
- The planned migration of the Club’s wagering system to the Betmakers Global Tote Quantum System to reach out to global markets for combined betting pools (commingling) and improving the Club’s racing product.
- The project work for refurbishment of the Owners-Trainers-Jockey enclosures on Level 2 –incorporating facilities for themed dining, a sports bar and banqueting - will commence shortly in the following months.
- A new lifestyle restaurant and café under the Ipoh famous Sin Yoon Loong coffee franchise will be opening soon at the Club.
- The Club recently completed the successful sale of 2 pieces of land to a local developer for RM95 million, the proceeds of which will greatly bolster the balance sheet of the Club with a healthy cash reserve.
- The Club will soon introduce a new class of transferable ordinary membership (“TOM”) with a substantially higher entry/joining fee of RM50,000 and providing an option for existing Ordinary Members to convert to TOM by paying a transfer fee of 10% of the TOM joining fee.

After that, he requested the Secretary to address the members on the agenda of the EGM.

The Secretary drew the attention of the meeting to the agenda of the EGM (stated in the Notice of EGM dated 18 Nov 2024 which was sent out to all members earlier) which he then read out as follows:

“To consider and approve the following Resolution concerning the refurbishment of ninety (90) old disused stables of the Club and transforming them into commercial retail business shops/units known collectively as the Ipoh Stables Market project:

‘It is hereby RESOLVED that approval be and is hereby given for:

1. Ninety (90) old disused stable stalls located on a piece of residential land located at Racecourse, Jalan Raja DiHilir, 30450 Ipoh to be refurbished at an estimated cost of RM2,046,000 and transformed into commercial retail business shops/units, collectively known as the Ipoh Stables Market, which will be rented out for rental and ancillary business income; &
2. An estimated payment of RM457,380 to Majlis Bandaran Ipoh for development costs associated with the change of land use from residential to commercial; &
3. An estimated payment of RM500,000 for upgrading of car parks (estimated 100 parking bays) including road surfacing and other ancillary works; &
4. That the Committee be empowered to take all steps necessary to undertake and bring the Ipoh Stables Market project to fruition.’

The Secretary informed the meeting that the total costs for the Ipoh Stables Market project was estimated and budgeted at RM3,003,380.

The Secretary then gave a brief overview of the Ipoh Stables Market project by referencing and highlighting the salient points covered in the explanatory notes which were sent to members together with the Notice of EGM dated 18 November 2024.

In particular, he briefly touched on the following key focus aspects of the Ipoh Stables Market project:

Economic growth – the project seeks to give the Ipoh retail sector a shot-in-the-arm, to create a vibrant and exciting retail business hub.

Cultural – this project will showcase many cultural and historical traits of Ipoh through the product offerings of the businesses operating therein. Efforts shall be expended to continually advocate ideas on preserving and showcasing our cultural richness and positive traits.

Infrastructure – reviving the use of disused assets which are strategically located within city limits into economically sound and productive business units

Community engagement – providing a chance for Ipoh folks and visitors to physically visit the grounds and enjoy the facilities of the Club; previously, only horse racing punters come to the Club but not anymore, since non-racing folks can also come and enjoy the Club’s myriad non-racing activities. This is real community engagement.

Sustainability – this project will incorporate best practices of sustainability, with strong emphasis on conservation and protecting the environment. This is a long-term project meant to go the distance and stamp its mark on Ipoh – not a passing fad or trend.

CSR & Youth Development Commitments – besides commercial objectives, this project also aims to support CSR initiatives as well as support budding entrepreneurship of Ipoh youths.

Shoppers' Haven - a very balanced and mixed bag of retail business offerings are planned under this project, with a wide range of offerings to interest even the very discerning shopper or tourist.

After the brief overview, he then followed up by a quick pictorial slideshow with colour visuals which were shown to the meeting audience via large TV screens. The visuals presented the project planners' and designers' transformative visualization of the Ipoh Stables Market project from its current disused state of its stables to its refurbished business-ready state of the transformed stable units.

A brief profile of the key personalities in the project management company, tasked with leading the project with their ideas and designs, was also presented to the meeting audience.

After the Secretary had concluded his presentation, the Chairman thanked him and opened the Q&A session by inviting questions from the floor.

Dato Dr. Vasan Sinnadurai (OM 300) proposed that the Club sell some individual stable stalls at a discounted price (below market value) to interested Ordinary Members (OMs) so that they can have a stake in the project.

In response to his suggestion, the Chairman expressed that he was unsure if the Constitution permitted the sale of any Club property and, even if so, not all OMs would wish to buy or have the means to do so.

Mr. Leong Siong Hee (OM 236) expressed his view that there should not be any sale of the stable units as that would result in fragmented ownership of the project. He opined that the project should remain under the Club's sole ownership and control to ensure smooth progress and stability of the project.

Ms Charmalee Sivapragasam (OM 669) enquired on how the Club intends to segregate the general public from the racing sections like active stables and horses. The Secretary explained that the public would only be allowed entry to the designated project space while the racing sections are walled off and/or fenced up, with entry/exit points located in a different part of the Club which are under security surveillance and control. He added that under the Club's longer-term plan, all horses would be moved away to the track-side stable complex, leaving no active stables around the designated project space.

Mr. Ronnie Teo Koh Yong (OM 422) expressed his wish to look at the agreements entered into between the Club and other parties relating to the project. He remarked that if he came across anything in the agreements that are not in the interest of the Club, he could voice them out accordingly.

The Chairman assured the meeting that the agreements have been properly vetted and that the Club has a right to terminate the contract. He noted that Mr. Teo used to practise law and hence, possessed a legal understanding of agreements. He added that Mr. Teo could put in an official request for the Club's consideration and the Club could arrange for Mr. Teo to read the documents in the Club office. He, nevertheless, pointed out that this arrangement is not extended to everyone.

Dato' Poo Tak Kiau (OM 441) referred to the financial cost projections pertaining to the project and remarked that there was no provision made for land conversion premiums. He opined that, based on his understanding and experience as a developer, the entire plot of land (including the adjoining areas of the project space) would likely attract payment of conversion premium for the change of land use from "residential" to "commercial." He shared that this was roughly based on 15% of land market value, estimated at RM150 per sq. feet. Hence, he cautioned that the cost projections were grossly understated.

The Chairman replied that the Club appreciated Dato' Poo's advice and comments. He shared that the Club had considered this land premium issue and had looked into past cases of similar nature involving the Club's properties where land conversion premiums were not imposed. He added that if land conversion premiums were to be imposed, then the required project cost expenditures would far exceed the project sum sought under this EGM. In such a situation, the project would be rendered unviable and accordingly, the Club would not proceed with it.

As requested by the Chairman, Mr. Lum Wee Hou, the Assistant General Manager (Operations & Procurement) addressed the meeting on the issue of land conversion premiums. He shared that he had previously spoken to Dato' Poo who raised this issue earlier with the Club. Based on his research and consultation with relevant parties, Mr. Lum informed the meeting that land conversion premium is unlikely to be imposed as the Club is not applying to convert the land from residential to commercial. In addition, there is no demolition of any old structures or any new structures being put up, no physical developments being undertaken and neither will there be any sale of land/property.

However, he noted that MBI would impose development charges for the change of land use from "residential" to "commercial", which were included in the Club's project costing budget.

He also shared the Club's earlier experience in another case involving one of its old residential bungalows along Jalan Raja DiHilir, which was transformed into a restaurant, a case which he felt was instructive. That case did not attract any land conversion premium but MBI imposed development charges for change of land use at RM2.50 per sq. foot. In yet another similar case, the Club submitted its plans to change the use of a significant portion of its grandstand building space to accommodate sports facilities, and no land conversion premiums were imposed as well.

Mr. Lum informed that the Club's architect would be submitting the plans for the project, which involves a change of land use, to MBI and the Club would thereafter know the outcome of its application. He added that if land conversion premium were imposed, then the Club would have to abort its project plans.

Mr. Lum also referred to a related issue (raised earlier in the meeting) of selling stable units to OMs under the project. According to him, that would present quite a different scenario requiring applications for land conversion and sub-division of title, and which would undoubtedly require the payment of land conversion premiums.

The Chairman summed up the issue by reiterating that the Club is seeking a mandate to spend up to RM3,003,380 only for the project and if land conversion premiums were imposed, that would exceed the project's budgeted cost and therefore render the project unviable. Accordingly, the Club would not proceed with the project.

As there were no further questions from the floor, the Chairman instructed the Secretary to proceed with voting on the EGM Resolution.

Before commencing the voting, the Secretary announced the Committee's appointment of two Scrutineers, Mr. Edwin Seibel (OM 624), a practicing lawyer, and Mr. Ahmad Imtaz (OM 666), an Equestrian Manager and Riding Instructor, who were tasked to oversee the entire voting process.

After explaining the voting procedure to the meeting, the Secretary then announced the list of proxy holders with the number of proxies received, respectively, as follows:

	Name of proxy holder/receiver	No. of proxies received
1	Dato' John Lim Ewe Chuan	54
2	V. Williams Balasingam	24
3	Soo Lai Kok	8
4	Vengetraman Manickam	1

The Secretary then commenced the voting which was conducted by secret ballot.

After the casting of votes had been concluded, the counting of the votes was conducted by the Scrutineers.

While the votes were being counted, the Chairman opened the floor to questions from the OMs on the general affairs of the Club.

Mr. Hamdan Bin Mohamed (OM 467) enquired on the status of the land in Greentown, Ipoh which was supposed to be developed under a joint-venture (JV) with a developer. He observed that there had been no development on the land in question.

The Chairman informed him that the JV agreement had expired earlier and the parties had arrived at a settlement in which the ownership of the Greentown land was vested in the Club. Under the settlement agreement, the Club agreed to share in the operating losses in the JV. The land was subsequently sold by open tender by the Club at a higher price which covered the Club's JV losses and still netted a profit for the Club.

The Chairman also informed the meeting that with the impending refurbishment of the Owners-Trainers-Jockeys (OTJ) enclosure on Level 2, the current overcrowding due to the presence of owners and guests at the OM Lounge would be eased. He then sought views from the members whether they prefer to have an exclusive section in the OM Lounge for members only while another section may seat both OMs and guests.

Md. Lim Maureen (OM 304) agreed that a designated section should be reserved exclusively for OMs. She shared that many guests were left on their own by the signing members and these guests quite often misbehaved to the annoyance of other OMs. She stressed that the signing OMs should keep their guests company as well as be made responsible for any misbehaviour on the part of their guests.

The Chairman remarked that it would definitely be a good idea to reserve an exclusive section in the OM Lounge for OMs only. He also said the younger OMs should be encouraged to come to the Club to attend races and generate revenues for the Club.

The Chairman also shared with the members that the Club is planning to open a sports bar – nowadays, popular with the younger generation – which will feature live telecasts of international sports events as well as introduce daily simulcast races from overseas to attract younger clients to the Club. Betting on horse races can then be made via self-service betting machines (to be installed) and phone apps, which can help boost the overall betting turnover of the Club.

Mr Gurdip Singh (OM 289) conveyed his grouse that horse owners had been crowding the OM Lounge during on-course race days. He felt that they should be seated in a different area and not in the OM Lounge which was congested on on-course race days.

The Chairman assured him this was a temporary situation since plans are afoot to refurbish the OTJ area and that horse owners will soon have their own enclosure and no longer be admitted into the OM Lounge in future. The Secretary added that a tender for the project works had been held and that work on the refurbishment was scheduled to begin in a matter of weeks.

Mr. Hamdan Mohamed (OM 467) enquired as to why the tote dividends still changed after the horses had started their race, as indicated by the ringing of the bell which signified that betting had stopped. He also observed that the bell rang only after the race had started.

The Chairman replied that the practice of placing multiple huge bets at the last minute could contribute to the changing of dividends after the race had started as there is a system transmission time lag. It was also a common practice to ring the stop-betting bell a few seconds after the race had started to allow counter bets already keyed-in to go through and not be rejected. He shared that with plans for

commingling to enlarge the betting pools, the placing of last-minute huge bets in future will not significantly change the dividend payouts.

The Secretary informed the meeting that the Scrutineers had confirmed that the counting of votes had been completed and that they had certified the Votes Tally Report.

As requested by the Chairman, the Votes Tally Report was read out by the Secretary as follows:

Description	Voted FOR	Voted AGAINST	Spoilt votes	Total votes cast
Resolution	153	3	Nil	156

The Secretary then announced that, based on the voting results, the EGM Resolution was approved.

The announcement was greeted with a round of applause from the members.

The Chairman ended the EGM at 6:55pm after thanking the members for their attendance and invited them to stay for Members Night where food & drinks would be served.

Recorded by:

Confirmed by:

Lai Hah Wan
Secretary

Dato John Lim Ewe Chuan
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PERAK TURF CLUB

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of The Perak Turf Club, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Club, and the statements of comprehensive income, statements of changes in capital fund and statements of cash flows of the Group and of the Club for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 46.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Club as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard.

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

Other matter

The financial statements of the of the Group and of the Club for the preceding financial year were audited by another firm of auditors whose report dated 19 April 2024, expressed an unmodified opinion on those statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PERAK TURF CLUB

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

Information Other than the Financial Statements and Auditors' Report Thereon

The Committee Members of The Perak Turf Club are responsible for the other information. The other information comprises the Chairman's Statement, but does not include the financial statements of the Group and of the Club and our auditors' report thereon.

Our opinion on the financial statements of the of the Group and of the Club 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 of the Group and of the Club, 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 Club 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 the other information, we are required to report that fact. The Perak Turf Club's Chairman's Statement is not available to us as at the date of the auditor's report.

Responsibilities of the Committee Members for the Financial Statements

The Committee Members of The Perak Turf Club are responsible for the preparation of financial statements of the Group and of the Club that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard. The Committee Members are also responsible for such internal control as the Committee Members determine is necessary to enable the preparation of financial statements of the Group and of the Club that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the of the Group and of the Club, the Committee Members are responsible for assessing the Group's and the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and of the Club 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 Club as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PERAK TURF CLUB

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONT'D)

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

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

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Club, 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members of The Perak Turf Club.
- Conclude on the appropriateness of the Committee Members of the Perak Turf Club 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 and the Club'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 Club 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 of the Club 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 Club, including the disclosures, and whether the financial statements of the Group and of the Club represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with The Perak Turf Club's Committee Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE PERAK TURF CLUB**

OTHER MATTERS

This report is made solely to the members of The Perak Turf Club, as a body and for no other purpose. We do not assume responsibility to any other person for the content of this report.

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

Ipoh, Perak

9 May 2025

Choong Kok Keong
03461/11/2025
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024

		The Group		The Club	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in a subsidiary	5	-	-	2	2
Investment in an associate	6	1	1	1	1
Goodwill	7	-	-	-	-
Property, plant and equipment	8	31,740,198	25,816,357	31,740,198	25,816,357
Investment properties	9	4,759,144	4,839,316	4,759,144	4,839,316
		<u>36,499,343</u>	<u>30,655,674</u>	<u>36,499,345</u>	<u>30,655,676</u>
CURRENT ASSETS					
Inventories	10	379,469	461,997	379,469	461,997
Receivables, deposits and prepayments	11	88,266,303	1,440,323	88,268,303	1,442,324
Tax recoverable		263,327	-	-	-
Amount owing by an associate	12	49,540	17,460	49,540	17,460
Short-term investments	13	31,091	23,655	31,091	23,655
Fixed deposits with licensed banks	14	28,881,502	36,258,835	28,881,502	36,258,835
Cash and bank balances		830,695	4,268,261	719,719	4,163,826
		<u>118,701,927</u>	<u>42,470,531</u>	<u>118,329,624</u>	<u>42,368,097</u>
TOTAL ASSETS		<u>155,201,270</u>	<u>73,126,205</u>	<u>154,828,969</u>	<u>73,023,773</u>

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

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2024 (CONT'D)

		The Group		The Club	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
CAPITAL FUND AND LIABILITIES					
FINANCED BY					
Capital fund	15	46,504,475	45,666,125	46,504,475	45,666,125
General reserve	16	3,517,393	3,517,393	3,517,393	3,517,393
Retained earnings		100,244,599	17,690,111	99,031,406	15,902,757
TOTAL CAPITAL FUND		150,266,467	66,873,629	149,053,274	65,086,275
NON-CURRENT LIABILITIES					
Deferred tax liabilities	17	317,597	1,482,214	317,597	1,482,214
Provision for retirement benefits	18	620,370	606,277	620,370	606,277
		937,967	2,088,491	937,967	2,088,491
CURRENT LIABILITIES					
Payables, deposits and accruals	19	3,879,083	4,028,554	4,719,975	5,737,380
Tax payable		-	23,904	-	-
Provision for retirement benefits	18	117,753	111,627	117,753	111,627
		3,996,836	4,164,085	4,837,728	5,849,007
TOTAL LIABILITIES		4,934,803	6,252,576	5,775,695	7,937,498
TOTAL CAPITAL FUND AND LIABILITIES		155,201,270	73,126,205	154,828,969	73,023,773

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

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

		The Group		The Club	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
REVENUE					
Racing revenue	20	11,248,486	11,503,273	11,248,486	11,503,273
Member's subscription and joining fees		53,603	61,346	53,603	61,346
Investment and other income	21	101,012,498	6,812,686	101,648,591	3,142,348
Royalties received on transfer of sweepstakes operations		378,974	343,242	378,974	343,242
		<u>112,693,561</u>	<u>18,720,547</u>	<u>113,329,654</u>	<u>15,050,209</u>
EXPENDITURE					
Racing	22	11,926,639	9,208,654	11,926,639	9,208,654
Grounds, buildings and equipment	23	6,217,611	4,950,649	6,217,611	4,950,649
Administration and finance	24	3,565,993	4,118,341	3,559,994	2,810,250
Security	25	699,664	605,225	699,664	605,225
Veterinary	26	973,271	828,600	973,271	828,600
		<u>23,383,178</u>	<u>19,711,469</u>	<u>23,377,179</u>	<u>18,403,378</u>
Surplus/(Deficit) Of Income Over Expenditure		89,310,383	(990,922)	89,952,475	(3,353,169)
Deficit of income over expenditure from Equine Hospital	27	(112,775)	(171,547)	(112,775)	(171,547)
Surplus/(Deficit) before transfer from capital fund		89,197,608	(1,162,469)	89,839,700	(3,524,716)
Transfer from capital fund		<u>392,901</u>	<u>254,697</u>	<u>392,901</u>	<u>254,697</u>
Surplus/(Deficit) for the year before taxation		89,590,509	(907,772)	90,232,601	(3,270,019)
Income tax (expenses)/benefit	28	(7,003,729)	(535,041)	(7,071,660)	304,863
Net surplus/(deficit) for the year		<u>82,586,780</u>	<u>(1,442,813)</u>	<u>83,160,941</u>	<u>(2,965,156)</u>

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

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

		The Group		The Club	
	Note	2024 RM	2023 RM	2024 RM	2023 RM
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Actuarial loss on retirement benefits, representing total other comprehensive expenses for the year	18	(32,292)	(59,984)	(32,292)	(59,984)
Total comprehensive income/(expenses) for the year		82,554,488	(1,502,797)	83,128,649	(3,025,140)
Employee information:					
Staff costs					
Salaries, wages, bonus, overtime, allowances, annual leave pay and other related expenses		4,958,717	4,229,391	4,958,717	4,229,391
Employees Provident Fund and SOCSO		614,267	551,153	614,267	551,153
		5,572,984	4,780,544	5,572,984	4,780,544

**STATEMENTS OF CHANGES IN CAPITAL FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	Capital Fund RM	<----- Non-distributable -----> General Reserve RM	Retained Earnings RM	Total RM
The Group				
Balance at 1 January 2023	45,552,978	3,517,393	19,192,908	68,263,279
Addition during the year	367,844	-	-	367,844
Transfer to statement of comprehensive income	(254,697)	-	-	(254,697)
Net deficit for the year	-	-	(1,442,813)	(1,442,813)
Other comprehensive expenses	-	-	(59,984)	(59,984)
Total comprehensive expenses for the year	-	-	(1,502,797)	(1,502,797)
Balance at 31 December 2023/ 1 January 2024	45,666,125	3,517,393	17,690,111	66,873,629
Addition during the year	1,231,251	-	-	1,231,251
Transfer to statement of comprehensive income	(392,901)	-	-	(392,901)
Net surplus for the year	-	-	82,586,780	82,586,780
Other comprehensive expenses	-	-	(32,292)	(32,292)
Total comprehensive income for the year	-	-	82,554,488	82,554,488
Balance at 31 December 2024	46,504,475	3,517,393	100,244,599	150,266,467

**STATEMENTS OF CHANGES IN CAPITAL FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

	Capital Fund RM	<----- Non-distributable -----> General Reserve RM	Retained Earnings RM	Total RM
The Club				
Balance at 1 January 2023	45,552,978	3,517,393	18,927,897	67,998,268
Addition during the year	367,844	-	-	367,844
Transfer to statement of comprehensive income	(254,697)	-	-	(254,697)
Net deficit for the year	-	-	(2,965,156)	(2,965,156)
Other comprehensive expenses	-	-	(59,984)	(59,984)
Total comprehensive expenses for the year	-	-	(3,025,140)	(3,025,140)
Balance at 31 December 2023/ 1 January 2024	45,666,125	3,517,393	15,902,757	65,086,275
Addition during the year	1,231,251	-	-	1,231,251
Transfer to statement of comprehensive income	(392,901)	-	-	(392,901)
Net surplus for the year	-	-	83,160,941	83,160,941
Other comprehensive expenses	-	-	(32,292)	(32,292)
Total comprehensive income for the year	-	-	83,128,649	83,128,649
Balance at 31 December 2024	46,504,475	3,517,393	99,031,406	149,053,274

**STATEMENTS OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

	The Group		The Club	
Note	2024 RM	2023 RM (Restated)	2024 RM	2023 RM (Restated)
CASH FLOWS (FOR)/FROM OPERATING ACTIVITIES				
Surplus/(Deficit) for the year before taxation	89,590,509	(907,772)	90,232,601	(3,270,019)
Adjustments for:-				
Write-off of goodwill	-	1,211,747	-	-
Bad debt written off	804	-	804	-
Depreciation of investment properties	80,172	80,171	80,172	80,171
Depreciation of property, plant and equipment	1,747,443	1,056,991	1,747,443	1,056,991
Deposits written off	6,503	-	6,503	-
Gain on disposal of property, plant and equipment	(94,591,971)	(9)	(94,591,971)	(9)
Gain on disposal of land held for property development	-	(3,506,255)	-	-
Property, plant and equipment written off	135,213	-	135,213	-
Interest income	(1,431,743)	(1,518,070)	(1,431,743)	(1,353,987)
Inventories written off	135,370	-	135,370	-
Provision for retirement benefits	54,724	51,340	54,724	51,340
Reversal of impairment of amount owing by a subsidiary company	-	-	(642,850)	-
Transfer from capital fund	(392,901)	(254,697)	(392,901)	(254,697)
Deficit before working capital changes	(4,665,877)	(3,786,554)	(4,666,635)	(3,690,210)
Increase in inventories	(52,842)	(34,421)	(52,842)	(34,421)
(Increase)/Decrease in receivables	(86,833,287)	(25,432)	(86,278,168)	9,174,564
(Decrease)/Increase in payables	(149,471)	(526,637)	(929,673)	2,291,866
(Increase)/Decrease in amount owing by an associate	(32,080)	52,380	(32,080)	52,380
CASH (FOR)/FROM OPERATIONS	(91,733,557)	(4,320,664)	(91,959,398)	7,794,179
Income tax (paid)/refunded	(8,455,577)	697,013	(8,236,277)	953,012
Retirement benefits paid	(66,797)	(238,880)	(66,797)	(238,880)
Interest received	1,431,743	1,518,070	1,431,743	1,353,987
NET CASH (FOR)/FROM OPERATING ACTIVITIES	(98,824,188)	(2,344,461)	(98,830,729)	9,862,298

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

**STATEMENTS OF CASH FLOW
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024 (CONT'D)**

		The Group		The Club	
	Note	2024 RM	2023 RM (Restated)	2024 RM	2023 RM (Restated)
CASH FLOWS FROM/(FOR)					
INVESTING ACTIVITIES					
Receipt of capital grant		1,231,251	367,844	1,231,251	367,844
Proceeds of disposal of land held for property development		-	12,306,255	-	-
Purchase of property, plant and equipment	29(a)	(7,823,410)	(979,160)	(7,823,410)	(979,160)
Purchase of investment property	29(a)	-	(639,810)	-	(639,810)
Proceeds from disposal of property, plant and equipment		94,608,884	10	94,608,884	10
Additions to fixed deposits with tenure more than 3 months		-	(4,862,206)	-	(4,862,206)
Additions to fixed deposits pledged		-	(3,195)	-	(3,195)
Withdrawal of fixed deposits with tenure more than 3 months		6,846,565	-	6,846,565	-
Withdrawal of fixed deposits pledged		18,600	-	18,600	-
NET CASH FROM/(FOR) INVESTING ACTIVITIES		94,881,890	6,189,738	94,881,890	(6,116,517)
NET (DECREASE)/ INCREASE IN CASH AND CASH EQUIVALENTS					
		(3,942,298)	3,845,277	(3,948,839)	3,745,781
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR					
		4,804,084	958,807	4,699,649	953,868
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR					
	29(b)	861,786	4,804,084	750,810	4,699,649

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

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

1. GENERAL INFORMATION

The Club is registered under the Societies Act, 1966 with its registered office located at Jalan Raja DiHilir, 30350 Ipoh, Perak Darul Ridzuan.

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

The financial statements of the Club were authorised for issue by the Committee on 9 May 2025.

2. PRINCIPAL ACTIVITIES

The Club is principally engaged in the operation of a turf club, conducting of totalisator activities and the operation of an equine hospital. The principal activity of the subsidiary is set out in Note 5 to the financial statements.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Club are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Malaysian Private Entities Reporting Standard (“MPERS”) and the requirements of the Societies Act, 1966 in Malaysia.

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

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Key Sources of Estimation Uncertainty

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

(a) Impairment of Investment in a Subsidiary and Investment in an Associate

The Club determines whether an item of its investment in a subsidiary and investment in an associate are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows, significant judgement is required in estimation of the present value of future cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of investment in a subsidiary and investment in an associate as at reporting date are disclosed in Note 5 and Note 6 to the financial statements respectively.

(b) Impairment of Property, Plant and Equipment and Investment Properties

The Group and the Club determine whether an item of its property, plant and equipment and investment properties are impaired by evaluating the extent to which the recoverable amount of the asset is less than its carrying amount. This evaluation is subject to changes such as market performance, economic and political situation of the country. A variety of methods is used to determine the recoverable amount, such as valuation reports and discounted cash flows. For discounted cash flows generated by the assets, which involve uncertainties and are significantly affected by assumptions used and judgements made regarding estimates of future cash flows and discount rates. The carrying amounts of property, plant and equipment and investment properties as at the reporting date are disclosed in Note 8 and Note 9 to the financial statements respectively.

(c) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions. The Group and the Club anticipate that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amount of property, plant and equipment as at the reporting date is disclosed in Note 8 to the financial statements.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Key Sources of Estimation Uncertainty (Cont'd)

(d) Impairment of Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimated. Possible changes in these estimates could result in revisions to the valuation of inventories. The carrying amount of inventories as at the reporting date is disclosed in Note 10 to the financial statements.

(e) Impairment of Receivables

An impairment loss is recognised when there is objective evidence that a financial asset is impaired. Management specifically reviews its trade and other receivables and analyses their ageing profiles, historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in the customer payment profile when making a judgement to evaluate the adequacy of the allowance for impairment losses. Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics. If the expectation is different from the estimation, such difference will impact the carrying value of receivables. The carrying amount of trade and other receivables as at the reporting date is disclosed in Note 11 to the financial statements.

(f) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group and the Club recognise tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax expense and deferred tax liabilities in the period in which such determination is made. The carrying amount of current tax assets of the Group as at the reporting date is RM263,327 (2023 – current tax liabilities of RM23,904).

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONT'D)

Critical Judgements Made in Applying Accounting Policies

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

(a) Classification between Investment Properties and Property, Plant and Equipment

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group and the Club account for the portions separately. If the portions could not be sold separately, the property is investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes.

(b) Classification of Leasehold Land

The classification of leasehold land as a finance lease or an operating lease requires the use of judgement in determining the extent to which risks and rewards incidental to its ownership lie. Despite the fact that there will be no transfer of ownership by the end of the lease term and that the lease term does not constitute the major part of the indefinite economic life of the land, management considered that the present value of the minimum lease payments approximated to the fair value of the land at the inception of the lease. Accordingly, management judged that the Group and the Club have acquired substantially all the risks and rewards incidental to the ownership of the land through a finance lease.

4.2 BASIS OF CONSOLIDATION

Subsidiaries are entities controlled by the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(a) Business Combinations

Acquisitions of businesses are accounted for using the purchase method. Under the purchase method, the cost of a business combination is measured at the aggregate of the fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 GOODWILL

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised in profit or loss on a straight-line method over a period of 10 years.

Under the purchase method, any excess of the cost of business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities recognised, is recorded as goodwill.

Where the latter amount exceeds the former, after reassessment, the excess represents a bargain purchase gain (negative goodwill) and is recognised in profit or loss immediately.

Goodwill arises on the acquisition of equity-accounted associates is recorded as part of the carrying amount at the date of acquisition. The Group adjusts its share of the post acquisition profits or losses of associates to account for the amortisation of the goodwill.

4.4 FUNCTIONAL AND FOREIGN CURRENCIES

(a) Functional and Presentation Currency

The individual financial statements of each entity in the Group are presented in the currency of the primary economic environment in which the entity operates, which is the functional currency.

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

(b) Foreign Currency Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition using exchange rates at the transaction dates. At the end of the reporting period, foreign currency monetary assets and liabilities are retranslated at the exchange rates of that date. Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date.

All foreign currency exchange differences arising from the settlement of monetary items or on the retranslation of monetary items are recognised in profit or loss in the period in which they arise.

4.5 FINANCIAL INSTRUMENTS

(a) Initial Recognition and Measurement

Financial assets and financial liabilities are recognised in the statement of financial position when the Group and the Club have become a party to the contractual provisions of the instruments.

A financial instrument is recognised initially at the transaction price, including transaction costs. For a financial asset or a financial liability that is subsequently measure at fair value through profit or loss, transaction costs are recognised in profit or loss when incurred.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.5 FINANCIAL INSTRUMENTS (CONT'D)

(b) Subsequent Measurement

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of cash or other consideration expected to be paid or received. Other debt instruments are measured at amortised cost using the effective interest method.

Other than the above, all financial assets and financial liabilities are measured at fair value with changes in fair value recognised in profit or loss.

(c) Derecognition

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 are settled, 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 of a financial asset, the difference between the carrying amount of the financial asset derecognised and the consideration received (including any newly created rights and obligations) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. On derecognition of a financial liability, 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.

4.6 INVESTMENT IN A SUBSIDIARY

Investment in a subsidiary is measured in the statement of financial position of the Club at cost less any impairment losses. The cost of the investment includes transaction costs.

4.7 INVESTMENT IN AN ASSOCIATE

An associate is an entity over which the Group and the Club have significant influence and that is neither a subsidiary nor an interest in a joint venture.

Investment in an associate is stated at cost less any accumulated impairment losses in the financial statements of the Group and of the Club. The cost of the investment includes transaction costs.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 INVESTMENT IN AN ASSOCIATE (CONT'D)

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Any gain or loss arising from the disposal of an associate is recognised in profit or loss.

4.8 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that are directly attributable to the acquisition of the asset and other costs directly attributable to bringing the asset to working condition for its intended use.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the Club; and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised.

Freehold land is not depreciated. Depreciation on the other property, plant and equipment is charged to profit or loss (unless it is included in the carrying amount of another asset) on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. The principal annual depreciation rates are:-

Buildings	2%
Fixture, furniture, fittings and equipment	20%
Vehicles	20%
Computer equipment	10%
Race track	10%
Car parks, drains and fencing walls	10%
Livestocks	10%

Capital work-in-progress included in property, plant and equipment are not depreciated as these assets are not yet available for use.

The depreciation method, useful lives and residual values will be reviewed if there is a significant change since the last annual reporting date in the pattern by which the Group and the Club expect to consume an asset's future economic benefits. Any changes are accounted for as a change in accounting estimate.

Any gain or loss arising from the disposal of property, plant and equipment is recognised in profit or loss.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 INVESTMENT PROPERTIES

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Depreciation on investment properties is charged to profit or loss on a straight-line method to write off the depreciable amount of the assets over their estimated useful lives. The principal annual rates used for this purpose are:-

Long term leasehold land	Over the lease period of 870 – 919 years
Building	2%

The depreciation method, useful lives and residual values will be reviewed if there is a significant change since the last annual reporting date in the pattern by which the Group and the Club expect to consume the investment property's future economic benefits. Any changes are accounted for as a change in accounting estimate.

Any gain or loss arising from the disposal of investment properties is recognised in profit or loss.

4.10 IMPAIRMENT

(a) Impairment of Financial Assets

All financial assets (except for financial assets measured at fair value through profit or loss) are assessed for impairment at each reporting date when there is an objective evidence of impairment.

For a financial asset measured at amortised cost, the impairment loss is the difference between the financial asset's carrying amount and the present value of estimated cash flows discounted at the financial asset's original effective interest rate.

For a financial asset measured at cost less impairment, the impairment loss is the difference between the financial asset's carrying amount and the best estimate of the amount that would be received for the financial asset if it were to be sold at the reporting date.

All impairment losses are recognised in profit or loss immediately.

If, in a subsequent period, the amount of an impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previous recognised impairment loss is reversed to the extent that the carrying amount of the financial asset does not exceed its amortised cost at the reversal date. The amount of impairment reversal is recognised in profit or loss.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 IMPAIRMENT (CONT'D)

(b) Impairment of Non-Financial Assets

The carrying values of non-financial assets, other than those to which *Section 27 – Impairment of Assets* does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired.

Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group determines the recoverable amount of the cash-generating unit to which the asset belongs. Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units of the Group that is expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

An impairment loss is recognised in profit or loss. Any impairment loss recognised in respect of a cash-generating unit is allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit and then to reduce the carrying amounts of the other assets in the cash-generating unit on a pro rata basis.

In respect to non-financial assets other than goodwill, when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.11 LEASED ASSETS

Operating Lease

All leases that do not transfer substantially to the Group and the Club all the risks and rewards incidental to ownership are classified as operating leases.

Payments made under operating leases are recognised as an expense in the profit or loss on a straight line method over the term of the lease.

4.12 INVENTORIES

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined on the first-in, first-out method and comprises the purchase price and other costs incurred in bringing the inventories to their present location and condition.

At each reporting date, inventories are assessed for impaired by comparing the carrying amount of each item of inventory with its selling price less costs to complete and sell. If an item of inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised in profit or loss immediately.

4.13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value with original maturity periods of three months or less. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts.

4.14 EMPLOYEE BENEFITS

(a) Short-term Benefits

Wages, salaries, paid annual leave and bonuses are measured on an undiscounted basis and are recognised in profit or loss in the period in which the associated services are rendered by employees.

(b) Defined Contribution Plans

Contributions to defined contribution plans are recognised in profit or loss in the period to which they relate. Once the contributions have been paid, the Group and the Club have no further liability in respect of the defined contribution plans.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 INCOME TAXES

(a) Current Tax

Current tax assets and liabilities are the expected amount of income tax recoverable or payable to the taxation authorities.

Current taxes are measured using tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period and are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss (either in other comprehensive income or directly in equity).

(b) Deferred Tax

Deferred tax is recognised using the liability method for all temporary differences other than those that arise from goodwill or 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 profit nor taxable profit.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amounts of deferred tax assets recognised are reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that the related tax benefits will be realised.

Current and deferred tax items are recognised in correlation to the underlying transactions either in profit or loss, other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill or negative goodwill.

Current tax assets and liabilities or deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same taxable entity (or on different tax entities but they intend to settle current tax assets and liabilities on a net basis) and the same taxation authority

4.16 REVENUE AND OTHER INCOME

Revenue is measured at the fair value of the consideration received or receivable, net of returns, goods and services tax, cash and trade discounts.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.16 REVENUE AND OTHER INCOME (CONT'D)

(a) Racing Revenue

Racing revenue comprises the Group's and the Club's share of totalisator revenue generated from the on course and off course totalisator operations and is recognised to profit or loss as it accrues.

(b) Agency Commission from Number Forecasting

Agency commission from number forecast operations are recognised when credited by Pan Malaysian Pools Sdn. Bhd. ("PMP").

(c) Royalties from Sweepstakes Operations

Royalties from sweepstakes operations are recognised when credited by Pan Malaysia Sweeps Sdn. Bhd..

(d) Horse Entry Fees

Horse entry fees are recognised upon registration of horses for participation in races.

(e) Gate Collections

Gate collections are recognised upon issuance of day members' tickets on race days.

(f) Members' Subscriptions

Members' subscriptions are recognised when due and receivable. Members' joining fees are recognised upon receipt.

(g) Rental Income

Rental income is recognised on an accrual basis using over the period of tenancy.

(h) Interest Income

Interest income is recognised on a time proportion basis that takes into account the effective yield on the asset.

(i) Surgery and Treatment Revenue

Surgery and treatment revenue are recognised when the service is rendered.

4.17 CAPITAL GRANTS

Grants, when received, are credited to the Capital Fund. Amounts utilised are charged to the income statement when expensed except for amounts utilised for acquisition of property, plant and equipment. These amounts are recognised in the income statement over the life of the assets acquired by the annual transfer of an amount equal to the depreciation charge arising therefrom.

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

5. INVESTMENT IN A SUBSIDIARY

	The Club	
	2024 RM	2023 RM
Unquoted shares, at cost	2	2

The details of the subsidiary are as follows:-

Name of Subsidiary	Principal Place of Business and Country of incorporation	Percentage of Issued Share Capital Held by Parent		Principal Activities
		2024	2023	
<i>Subsidiary of the Club</i>				
Ipoh Stables Market Sdn. Bhd. (Formerly known as Greentown Junction Development Sdn. Bhd.)	Malaysia	100%	100%	Property development

6. INVESTMENT IN AN ASSOCIATE

	The Group and The Club	
	2024 RM	2023 RM
Unquoted shares, at cost	1	1

The details of the associate are as follows:-

Name of Associate	Principal Place of Business and Country of incorporation	Percentage of Ownership		Principal Activities
		2024	2023	
EQ Sport Sdn. Bhd.	Malaysia	33.33%	33.33%	Providing live telecast and satellite services for horse racing, totalisator operations, teletotting facilities and others

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

7. GOODWILL

	The Group	
	2024 RM	2023 RM
Cost:-		
At 1 January	-	1,514,683
Write off	-	(1,514,683)
At 31 December	-	-
Accumulated amortisation:-		
At 1 January	-	302,936
Write off	-	(302,936)
At 31 December	-	-

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

8. PROPERTY, PLANT AND EQUIPMENT

	At 1.1.2024 RM	Additions RM	Disposal RM	Depreciation Charges RM	Transfer RM	Write Off RM	At 31.12.2024 RM
The Group and The Club							
2024							
<i>Carrying Amount</i>							
Freehold land	941,197	-	(16,913)	-	-	-	924,284
Buildings	23,065,805	61,600	-	(851,216)	1,021,468	(132,452)	23,165,205
Fixture, furniture, fittings and equipment	58,250	47,830	-	(37,453)	-	(7)	68,620
Vehicles	1,163	1,109,563	-	(223,006)	-	(3)	887,717
Computer equipment	649,210	491,061	-	(581,771)	4,234,978	-	4,793,478
Race track	23,760	-	-	(11,861)	-	-	11,899
Car parks, drains and fencing walls	154,791	-	-	(33,529)	-	-	121,262
Live-stocks	26,757	-	-	(8,607)	-	(2)	18,148
Capital work-in-progress	895,424	6,113,356	-	-	(5,256,446)	(2,749)	1,749,585
	25,816,357	7,823,410	(16,913)	(1,747,443)	-	(135,213)	31,740,198

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

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Group and The Club			
31.12.2024			
Freehold land	924,284	-	924,284
Buildings	48,254,038	(25,088,833)	23,165,205
Fixture, furniture, fittings and equipment	14,579,489	(14,510,869)	68,620
Vehicles	3,570,487	(2,682,770)	887,717
Computer equipment	18,515,272	(13,721,794)	4,793,478
Race track	6,149,655	(6,137,756)	11,899
Car parks, drains and fencing walls	4,800,708	(4,679,446)	121,262
Live stocks	86,078	(67,930)	18,148
Capital work-in-progress	1,749,585	-	1,749,585
	98,629,596	(66,889,398)	31,740,198
1.1.2024			
Freehold land	941,197	-	941,197
Buildings	47,572,470	(24,506,665)	23,065,805
Fixture, furniture, fittings and equipment	14,589,525	(14,531,275)	58,250
Vehicles	3,383,536	(3,382,373)	1,163
Computer equipment	13,789,233	(13,140,023)	649,210
Race track	6,149,655	(6,125,895)	23,760
Car parks, drains and fencing walls	4,800,708	(4,645,917)	154,791
Live stocks	86,080	(59,323)	26,757
Capital work-in-progress	895,424	-	895,424
	92,207,828	(66,391,471)	25,816,357

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

9. INVESTMENT PROPERTIES

	At 1.1.2024 RM	Depreciation Charges RM	At 31.12.2024 RM
The Group and The Club			
<i>Carrying Amount</i>			
Long term leasehold land	1,132,540	(1,304)	1,131,236
Building	3,706,776	(78,868)	3,627,908
	4,839,316	(80,172)	4,759,144
	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Group and The Club			
31.12.2024			
Long term leasehold land	1,161,110	(29,874)	1,131,236
Building	3,943,377	(315,469)	3,627,908
	5,104,487	(345,343)	4,759,144
1.1.2024			
Long term leasehold land	1,161,110	(28,570)	1,132,540
Building	3,943,377	(236,601)	3,706,776
	5,104,487	(265,171)	4,839,316

The investment properties are measured using the cost model because their fair values cannot be reliably measured without undue cost or effort.

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

10. INVENTORIES

	The Group and The Club	
	2024	2023
	RM	RM
At cost		
Trophies	32,015	176,505
Drugs (Veterinary Department)	66,738	53,984
Drugs (Equine Hospital)	280,716	231,508
	<u>379,469</u>	<u>461,997</u>
Inventories recognised as an expense	202,916	180,519
Inventories written off	<u>135,370</u>	<u>-</u>

11. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Club	
	2024	2023	2024	2023
	RM	RM	RM	RM
Receivables	87,955,612	1,165,321	87,958,112	1,167,822
Prepayments	110,811	108,939	110,811	108,939
Deposits	199,880	166,063	199,380	165,563
	<u>88,266,303</u>	<u>1,440,323</u>	<u>88,268,303</u>	<u>1,442,324</u>

Included in receivables of the Group and of the Club is an amount owing from the disposal of a freehold land amounting to RM86,104,711 (2023 – Nil).

12. AMOUNT OWING BY AN ASSOCIATE

	The Group and The Club	
	2024	2023
	RM	RM
<u>Current</u>		
Non-trade balance	<u>49,540</u>	<u>17,460</u>

The amount owing by an associate is unsecured, non-interest bearing and repayable on demand. The amount owing is to be settled in cash.

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

13. SHORT-TERM INVESTMENTS

	The Group and The Club 2024 RM	2023 RM
Money market funds, at fair value	31,091	23,655

The money market funds represent investments in highly liquid money market instruments and deposits with financial institutions in Malaysia which are redeemable with one (1) day notice at known amounts of cash, and are subject to an insignificant risk of changes in value.

The floating interest rate of short-term investments at the reporting date is as follows:-

	The Group and The Club 2024 %	2023 %
Short-term investments	2.91	3.00

14. FIXED DEPOSITS WITH LICENSED BANKS

	The Group and The Club 2024 RM	2023 RM
Fixed deposits with licensed banks with maturity period of less than three months	-	512,168
Fixed deposits with licensed banks with maturity period of more than three months	28,881,502	35,746,667
	28,881,502	36,258,835

The fixed deposits with licensed banks of the Group and of the Club at the end of the reporting period bore effective interest rates ranging from 2.25% to 4.00% (2023 – 2.80% to 6.23%) per annum. The fixed deposits have maturity periods ranging from 330 to 360 (2023 – 30 to 360) days for the Group and the Club.

Fixed deposits amounting to RM140,425 (2023 – RM159,025) is pledged to a bank as security for a bank guarantee facility with a limit of RM52,000 (2023 – RM52,000) in favour of Tenaga Nasional Berhad for the supply of electricity to the Club.

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

15. CAPITAL FUND

	Capital/ Operation Grants RM	Outright Grants RM	Total RM
The Group and The Club			
As at 1 January 2023	24,946,978	20,606,000	45,552,978
Addition during the year	367,844	-	367,844
Transfer to statement of comprehensive income	(254,697)	-	(254,697)
As at 31 December 2023/1 January 2024	25,060,125	20,606,000	45,666,125
Addition during the year	1,231,250	-	1,231,250
Transfer to statement of comprehensive income	(392,900)	-	(392,900)
As at 31 December 2024	25,898,475	20,606,000	46,504,475

The capital fund comprises grants received from the Ministry of Finance and Lembaga Totalisator Malaysia for staging the National Horse Show and acquisition of capital assets.

16. GENERAL RESERVE

The reserve comprises amounts transferred from the Building Fund.

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

17. DEFERRED TAX LIABILITIES

	At 1.1.2024 RM	Recognised in Profit or Loss (Note 28) RM	At 31.12.2024 RM
The Group			
2024			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	2,794,672	(116,605)	2,678,067
<i>Deferred Tax Assets</i>			
Provision for retirement benefits	(172,297)	(32,365)	(204,662)
Unabsorbed business losses	(745,172)	(780,343)	(1,525,515)
Unabsorbed capital allowances	(394,989)	(235,304)	(630,293)
	(1,312,458)	(1,048,012)	(2,360,470)
	1,482,214	(1,164,617)	317,597

	At 1.1.2023 RM	Recognised in Profit or Loss (Note 28) RM	At 31.12.2023 RM
The Group			
2023			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	2,472,111	322,561	2,794,672
<i>Deferred Tax Assets</i>			
Land held for property development	(758,524)	758,524	-
Provision for retirement benefits	(178,221)	5,924	(172,297)
Unabsorbed business losses	(227,129)	(518,043)	(745,172)
Unabsorbed capital allowances	(321,572)	(73,417)	(394,989)
	(1,458,446)	172,988	(1,312,458)
	986,665	495,549	1,482,214

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

17. DEFERRED TAX LIABILITIES (CONT'D)

	At 1.1.2024 RM	Recognised in Profit or Loss (Note 28) RM	At 31.12.2024 RM
The Club			
2024			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	2,794,672	(116,605)	2,678,067
<i>Deferred Tax Assets</i>			
Provision for retirement benefits	(172,297)	(32,365)	(204,662)
Unabsorbed business losses	(745,172)	(780,343)	(1,525,515)
Unabsorbed capital allowances	(394,989)	(235,304)	(630,293)
	(1,312,458)	(1,048,012)	(2,360,470)
	1,482,214	(1,164,617)	317,597
	At 1.1.2023 RM	Recognised in Profit or Loss (Note 28) RM	At 31.12.2023 RM
The Club			
2023			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	2,472,111	322,561	2,794,672
<i>Deferred Tax Assets</i>			
Provision for retirement benefits	(178,221)	5,924	(172,297)
Unabsorbed business losses	(227,129)	(518,043)	(745,172)
Unabsorbed capital allowances	(321,572)	(73,417)	(394,989)
	(726,922)	(585,536)	(1,312,458)
	1,745,189	(262,975)	1,482,214

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

18. PROVISION FOR RETIREMENT BENEFITS

The amounts recognised in the statement of financial position are determined as follows:

	The Group and The Club 2024 RM	2023 RM
Present value of unfunded defined benefit obligations, representing net liability	738,123	717,904
Analysed as:		
Current liabilities	117,753	111,627
Non-current liabilities	620,370	606,277
	738,123	717,904

The amounts recognised in profit or loss are as follows:

	The Group and The Club 2024 RM	2023 RM
Current service cost	26,636	26,544
Interest cost	28,088	24,796
Total charged out to profit or loss	54,724	51,340

Movements in the net liability in the current year were as follows:

	The Group and The Club 2024 RM	2023 RM
As at 1 January	717,904	845,460
Provision during the year	54,724	51,340
Benefits paid	(66,797)	(238,880)
Actuarial loss on retirement benefits	32,292	59,984
As at 31 December	738,123	717,904

Principal actuarial assumption used:

	The Group and The Club 2024 %	2023 %
Discount rate	4.1	3.7

The average duration of the defined benefit plan obligation at the reporting date is 10 (2023 – 10) years.

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

19. PAYABLES, DEPOSITS AND ACCRUALS

	The Group		The Club	
	2024 RM	2023 RM	2024 RM	2023 RM
Payables	3,018,478	2,402,693	3,018,478	2,402,693
Accruals	336,102	521,575	333,002	517,525
Deposits	446,495	1,032,011	446,495	1,032,011
Service Tax Payable	78,008	72,275	78,008	72,275
Amount owing to subsidiary company	-	-	843,992	1,712,876
Total other payables, deposits and accruals	3,879,083	4,028,554	4,719,975	5,737,380

The amount owing to subsidiary company represent non-trade balance that is unsecured, non-interest bearing and repayable on demand. The amount owing is to be settled in cash.

20. RACING REVENUE

	The Group and The Club	
	2024 RM	2023 RM
Agency commission from number forecasting	13,939	16,105
Horse entry fees	266,090	187,510
Gate collections	372,936	400,604
Race sponsorship	95,233	23,717
Totalisator proceeds, net		
Notes (a) and (b)	5,442,308	5,542,004
Subsidy from Totalisator Board Malaysia	5,057,980	5,333,333
	11,248,486	11,503,273

Note: Included in Totalisator proceeds, net are:

	The Group and The Club	
	2024 RM	2023 RM
(a) Gross totalisator revenue	49,955,900	51,500,268
(b) Government gaming tax and duties deducted from totalisator revenue	5,834,849	6,015,231

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

21. INVESTMENT AND OTHER INCOME

	The Group		The Club	
	2024 RM	2023 RM	2024 RM	2023 RM
Interest income	1,431,629	1,517,791	1,431,629	1,353,708
Gain on disposal of property, plant and equipment	94,591,971	9	94,591,971	9
Gain on disposal of land held for property development	-	3,506,255	-	-
Rental income	1,291,132	1,263,217	1,291,132	1,263,217
Other income	3,697,766	525,414	4,333,859	525,414
	101,012,498	6,812,686	101,648,591	3,142,348

22. RACING EXPENDITURE

	The Group and The Club	
	2024 RM	2023 RM
Asian Racing Conference	116,916	156,093
Freight on horses	668,239	398,781
Race meeting expenses	4,213,781	3,708,911
Royalties paid for overseas telecasts	1,139,593	688,429
Satellite telecast fee	95,400	112,946
Share of M.R.A expenses	603,408	582,389
Stakes, HRS and trophies	5,089,302	3,561,105
	11,926,639	9,208,654

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

23. GROUNDS, BUILDINGS AND EQUIPMENT

	The Group and The Club	
	2024	2023
	RM	RM
Upkeep and maintenance:		
Buildings	2,313,430	1,920,929
Broadcasting	212,669	164,759
Course	1,212,098	1,148,282
Stables	572,746	521,629
Vehicles	139,215	109,616
	<u>4,450,158</u>	<u>3,865,215</u>
Depreciation	<u>1,767,453</u>	<u>1,085,434</u>
	<u>6,217,611</u>	<u>4,950,649</u>

24. ADMINISTRATION AND FINANCE

	The Group		The Club	
	2024	2023	2024	2023
	RM	RM	RM	RM
Audit fees	57,500	58,500	55,000	55,000
Bank charges	5,206	3,940	5,161	3,894
Donation	101,000	107,000	101,000	107,000
General expenses	1,884,609	1,363,671	1,881,855	1,331,274
Write-off of goodwill	-	1,211,747	-	-
Legal and professional fees	154,277	137,461	154,277	77,610
Staff remuneration and benefits	1,351,701	1,225,472	1,351,701	1,225,472
Taxation fees	11,700	10,550	11,000	10,000
	<u>3,565,993</u>	<u>4,118,341</u>	<u>3,559,994</u>	<u>2,810,250</u>

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

25. SECURITY

	The Group and The Club	
	2024	2023
	RM	RM
Hired security forces	4,157	7,627
License fees	1,080	1,180
Repair and maintenance	2,977	3,294
Staff remuneration and benefits	691,450	593,124
	699,664	605,225

26. VETERINARY

	The Group and The Club	
	2024	2023
	RM	RM
Drugs and medicine	26,286	22,601
Starter hack horses expenses	152,626	108,223
Gasses	278	792
Repair and maintenance	312	228
Staff remuneration and benefits	317,379	246,987
Usains – laboratory expenses	476,390	449,769
	973,271	828,600

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

27. DEFICIT OF INCOME OVER EXPENDITURE FROM EQUINE HOSPITAL

	The Group and The Club	
	2024	2023
	RM	RM
Revenue		
Surgery	85,605	138,982
Treatment	371,582	260,237
Horse travel permit	104	377
Accommodation charges	1,619	1,680
	<hr/>	<hr/>
	458,910	401,276
Discount	(8,026)	(6,741)
	<hr/>	<hr/>
	450,884	394,535
Less: Cost of drugs sold		
Opening inventories	231,508	241,776
Purchases	252,124	170,251
	<hr/>	<hr/>
	483,632	412,027
Closing inventories	(280,716)	(231,508)
	<hr/>	<hr/>
	202,916	180,519
Expenditure		
Consumables	9,015	10,036
Depreciation	60,161	51,728
Disposing of horse carcass	14,200	6,300
Interest income	(114)	(279)
Laboratory	2,636	2,938
Library books	2,685	3,365
Refreshment	174	1,175
Repair and maintenance	35,145	71,202
Sawdust	1,116	1,460
Staff salaries, EPF and SOSCO	208,925	213,650
Stationery & printing	210	271
Utilities	26,590	23,717
	<hr/>	<hr/>
	360,743	385,563
	<hr/>	<hr/>
Net deficit of income over expenditure	(112,775)	(171,547)

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

28. INCOME TAX EXPENSES/(BENEFIT)

	The Group		The Club	
	2024 RM	2023 RM	2024 RM	2023 RM
Current tax expense:				
- for the financial year	-	797,904	-	-
- overprovision in the previous financial year	(67,931)	(758,412)	-	(41,888)
	(67,931)	39,492	-	(41,888)
Real Property Gain Tax	8,236,277	-	8,236,277	-
	8,168,346	39,492	8,236,277	(41,888)
Deferred tax (Note 17):				
- relating to origination and reversal of temporary differences	(898,202)	(446,049)	(898,202)	(446,049)
- (over)/underprovision in the previous financial year	(266,415)	941,598	(266,415)	183,074
	(1,164,617)	495,549	(1,164,617)	(262,975)
Total income tax expenses/(benefit)	7,003,729	535,041	7,071,660	(304,863)

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

28. INCOME TAX EXPENSE/(BENEFIT) (CONT'D)

A reconciliation of income tax expense/(benefit) applicable to the surplus/(deficit) before transfer from capital fund at the statutory tax rate to income tax expense/(benefit) at the effective tax rate is as follows:

	The Group		The Club	
	2024 RM	2023 RM	2024 RM	2023 RM
Surplus/(Deficit) before transfer from capital fund	89,197,608	(1,162,469)	89,839,700	(3,524,716)
Taxation at Malaysia statutory graduated scale of tax rate	25,867,306	(278,993)	26,053,513	(845,932)
Tax effects of:				
Non-deductible expenses	669,126	714,102	482,117	400,160
Non-taxable income	(27,435,413)	(83,254)	(27,433,832)	(277)
Deferred tax assets not recognised during the financial year	779	-	-	-
Overprovision of current tax in the previous financial year	(67,931)	(758,412)	-	(41,888)
(Over)/Underprovision of deferred taxation in the previous financial year	(266,415)	941,598	(266,415)	183,074
Real Property Gain Tax	8,236,277	-	8,236,277	-
	<u>7,003,729</u>	<u>535,041</u>	<u>7,071,660</u>	<u>(304,863)</u>

At the end of the reporting period, the amounts deferred tax assets not recognised (stated at gross) due to uncertainty of their realisation are as follows:-

	The Group		The Club	
	2024 RM	2023 RM	2024 RM	2023 RM
Unused tax losses:				
- expires 31 December 2034	3,245	-	-	-

Based on the current legislation, the unused tax losses up to the year of assessment 2018 can be carried forward until the year of assessment 2028 and the unused tax losses for 2019 onwards are allowed to be utilised for 10 consecutive years of assessment immediately following that year of assessment.

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

29. CASH FLOW INFORMATION

- (a) The cash disbursed for the purchase of property, plant and equipment and the addition of investment property is as follows:-

	The Group and The Club	
	2024	2023
	RM	RM
Property, Plant and Equipment		
Cost of property, plant and equipment purchased (Note 8)	7,823,410	979,160
Investment Properties		
Cost of investment properties purchased	-	639,810

- (b) The cash and cash equivalents comprise the following:-

	The Group		The Club	
	2024	2023	2024	2023
	RM	RM	RM	RM
		<i>(Restated)</i>		<i>(Restated)</i>
Fixed deposits with licensed banks	28,881,502	36,258,835	28,881,502	36,258,835
Cash and bank balances	830,695	4,268,261	719,719	4,163,826
Short-term investment	31,091	23,655	31,091	23,655
	29,743,288	40,550,751	29,632,312	40,446,316
Less: Fixed deposits pledged to licensed banks (Note 14)	(140,425)	(159,025)	(140,425)	(159,025)
Fixed deposits with tenure more than 3 months	(28,741,077)	(35,587,642)	(28,741,077)	(35,587,642)
	861,786	4,804,084	750,810	4,699,649

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

30. RELATED PARTY DISCLOSURES

The Group and the Club also carried out the following significant transactions with the related parties during the financial year:-

	The Group and The Club	
	2024	2023
	RM	RM
Associate:		
Royalties paid	(649,316)	(688,428)
Management fees paid	(1,511,987)	(1,502,261)
Commingling fees paid	(18,965)	-
Rental income	96,000	96,000
Expenses reimbursement	3,000	3,000

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in the respective notes to the financial statements.

31. CAPITAL COMMITMENTS

	The Group and The Club	
	2024	2023
	RM	RM
Approved and contracted for property, plant and equipment	4,879,946	769,858
Approved but not contracted for property, plant and equipment	11,745,360	1,893,643

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

32. FINANCIAL INSTRUMENTS

32.1 CATEGORIES OF FINANCIAL INSTRUMENTS

	The Group		The Club	
	2024 RM	2023 RM	2024 RM	2023 RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 13)	31,091	23,655	31,091	23,655
<u>Amortised Cost</u>				
Receivables and deposits (Note 11)	88,155,492	1,331,384	88,157,492	1,333,385
Amount owing by an associate	49,540	17,460	49,540	17,460
Fixed deposits with licensed banks	28,881,502	36,258,835	28,881,502	36,258,835
Cash and bank balances	830,695	4,268,261	719,719	4,163,826
	<u>117,917,229</u>	<u>41,875,940</u>	<u>117,808,253</u>	<u>41,773,506</u>
Financial Liabilities				
<u>Amortised Cost</u>				
Payables, deposits and accruals (Note 19)	3,801,075	3,956,279	4,641,967	5,665,105

32.2 FAIR VALUE INFORMATION

The methods used in determining the fair values of financial instruments recognised on the statement of financial position are disclosed in their respective notes to the financial statements.

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

33. COMPARATIVE FIGURES

The following figures have been reclassified to conform with the presentation of the current financial year:-

	As Restated RM	As Previously Reported RM
The Group		
Statement of Cash Flows (Extract):-		
Investing activities:		
Net placement of short term investment	-	(1,153)
Net cash flows from investing activities	6,189,738	6,188,585
Net increase in cash and cash equivalents	3,845,277	3,844,124
Cash and cash equivalents at 1 January	958,807	936,305
Cash and cash equivalents at 31 December	4,804,084	4,780,429
The Club		
Statement of Cash Flows (Extract):-		
Investing activities:		
Net placement of short term investment	-	(1,153)
Net cash flows used in investing activities	(6,116,517)	(6,117,670)
Net increase in cash and cash equivalents	3,745,781	3,744,628
Cash and cash equivalents at 1 January	953,868	931,366
Cash and cash equivalents at 31 December	4,699,649	4,675,994



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