



More Than Racing

ANNUAL REPORT 2025



**THE COMMITTEE FOR
THE YEAR 2025 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

Mr. Chin Tong Leong

Mr. Soo Lai Kwok

Mr. Vengetraman Manickam

Mr. Leong Kwok Seng

Mr. Lim Thou Lai

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/Tote Manager
Mr. Lester Teow Boon Hung

Personal Assistant to Chairman
Ms. Mok Wai Mei

Racing Manager
Assistant Clerk of the Course
Ms. Sheila Matthew

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

AUDITORS

Messrs. Crowe Malaysia PLT

22 May 2026

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 Monday, 15 June 2026 at 6:00pm.

AGENDA

1. To confirm the Minutes of the following:
 - a. Annual General Meeting held on 19 June, 2025;
 - b. Extraordinary General Meeting held on 23 December, 2025.
(Copies of the minutes are attached)
2. Matters arising.
3. To receive and consider the Annual Report together with the Audited Financial Statements of the Club for the year ended 31 December 2025. *(A copy of the Annual Report together with the Audited Financial Statements therein is attached).*
4. To elect four (4) Members to the Committee under Rule 8.6 of the Constitution & Rules of the Club following the rotational retirement of the following Committee Members:
 - a. Dato' John Lim Ewe Chuan
 - b. Mr. Velluppillai Williams Balasingam
 - c. Mr. Chin Tong Leong
 - d. Mr. Loh Ban Ho (co-opted on 1 May 2026)
5. To appoint an Auditor.
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.

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.

Perak Turf Club Committee Members 2025/2026



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.



Mr. Chin Tong Leong
Management Committee



Mr. Leong Kwok Seng
Management Committee



Mr. Soo Lai Kwok



**Mr. Vengetraman
A/L Manickam**



Mr Lim Thou Lai

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 2025.

Club members would have noted from my previous communications to them that the Club's efforts to engage more with the wider community is guided by its vision, *More than Racing*, and the opening up of its facilities for the community to enjoy.

The Sin Yoon Loong Café, opened in late 2024, has now established itself as a popular themed café with its unique bamboo architectural design. It has successfully captured the interest and continuing patronage of both locals and visitors alike.

The Ipoh Stables Market, a budding retail business and community space was officially opened on 18 January 2026. It stands as a testament to the Club's conservationist efforts in refurbishing and re-purposing 139 units of disused stables into vibrant retail business units which include a small animal veterinary clinic as part of the Club's expanding scope of veterinary services. The Ipoh Stables Market is now a celebrated landmark in Ipoh city. Both locals and visitors, drawn by its aura of horse racing history and distinctive ambiance, continue to throng this inimitable enclave on all days of the week.

The installation of sports facilities at the PTC Sports Centre – a swimming pool, gymnasium and games courts – has now been completed and was soft-launched on 15 May 2026. The official opening has been scheduled for 31 May 2026.

The Club has also signed an agreement with a restaurateur to open a sports bar, in the far wing on Level 2, which is expected to appeal to the younger-age clientele as well as ardent sports fans. It is scheduled to take shape in the second quarter of this year.

Horse racing continues to be the core business and *raison d'être* of the Club. As such, the Committee is strongly committed to continually improving the integrity, quality and image of the Club's races to earn the trust and confidence of our racing patrons. That will in turn, hopefully, translate into higher betting turnover on our races. To this end, the Committee has held regular dialogue and conversations with key industry stakeholders – owners, trainers and jockeys – to gain better insight and share viewpoints in facing the challenges in the horse racing and wagering industry. The Club is also spending efforts in working with racing business partners to target and prospect new overseas markets for our racing pictures.

I have also mentioned previously that the Committee was earnestly working on creating a new category of membership in the form of Transferable Ordinary Membership as a way of creating value for all our Ordinary Members. That required significant changes to the Club's Constitution which had been duly tabled and overwhelmingly approved by our Ordinary Members at an Extraordinary General Meeting held on 23 December 2025.

The constitutional amendments were submitted to the Registrar of Societies ("ROS") for their review and have subsequently received the official approval from ROS. With the Club's

Constitution having been formalised, the Club will be sending renewal notices to all Ordinary Members for the 6 months to 31st December 2026 at the relevant renewal amount based on whether the Member remains an Ordinary Member or opts to be a Transferable Ordinary Member.

ACCOUNTS & FINANCE

The amount of bets placed on the tote at our Club for the year ended 31st December 2025 was RM38,718,259 (2024: RM49,955,900) a decrease of 22% compared to a decrease of 16% of bets placed on the tote nationally. The decrease on bets placed on the Tote in 2025 was predominantly due to the closure of Penang Turf Club and a declining trend of attendance on our race days.

The Club's racing revenue for the year was RM13,862,756 compared to 14,040,709 in 2024, inclusive of a subsidy from Lembaga Totalisator Malaysia of RM3,740,800 for the year compared to RM5,057,980 in 2024.

The Club registered an operating deficit before tax and transfer from capital fund of RM5,244,036 as compared to RM4,752,271 excluding the gain on the disposal of the sale of land of RM94,591,971 in 2024. The net deficit after taxation and transfer from capital fund was RM4,173,655 (2024: Net surplus RM83,128,649).

CLUB ACTIVITIES

During the year under review, the Club implemented its racing programme quite satisfactorily while mindful of the need to continue improving the quality of its racing product.

In 2025, the Club staged 26 on-course days featuring a total of 248 races. In addition, the Club held 77 off-course race days in which live telecasts of races were beamed in from Penang, Selangor, Hong Kong, Australia, Korea, South Africa & UAE. (Penang Turf Club ceased racing on 1 June 2025).

As at 30th April 2026, the population of race horses at the Club numbered 181 horses, versus 191 horses recorded on the horse register on the corresponding date in the previous year.

To encourage the purchase of new horses to boost the horse population of the Club, as well as replenishing horses that were deleted due to various reasons, the Club had offered attractive incentives to horse owners for the purchase of young horses (not older than 4YO) from abroad, chiefly from horse breeding countries like Australia and New Zealand.

With Penang Turf Club shuttering its doors on horse racing after 31 May 2025, the Club inevitably suffered a loss in wagering revenue with the stoppage of Club simulcast races to them.

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.

On the Club’s feature race programme, the first feature race meeting of the year, the Perak Derby Race Meeting, kicked off on 2 March 2025. This year’s edition of this feature race was named the Meru Valley Resort Perak Derby in honour of the race sponsorship by the renowned golf and country club resort.



The winning connections of Lucky Magic, the winner of the Meru Valley Resort Perak Derby 2025, posing with the sponsor’s representatives and PRTC committee members

Next on the feature race programme was the Community Shield race meeting which was held on 11 May 2025. This feature race commemorates and renews the Club’s ties and continuing engagement with the local Ipoh community, aligning with its corporate vision and tagline, *More than Racing*. Prominent community leaders and NGO representatives were among the Club’s VIP guests at the luncheon.



VIP Guest of Honour, Puan Sri Dato’ Sandra Lee, receiving a bouquet from PRTC Chairman, Dato’ John Lim, after presenting the trophies to the winners of the Community Shield 2025



The winning connections of the Community Shield winner, Faithful Leader, posing for a group photo with VIP Guest of Honour, Puan Sri Dato' Sandra Lee, PRTC Chairman, Dato' John Lim, PRTC Committee Members and VIP guests

The Gold Vase race meeting was held in the third quarter of the year on 13 July 2025. The star event of the race meeting was the running of the feature race, the Perak Gold Vase.



The jubilant jockey, Troy See, astride the Gold Vase winner, Filial Dragon, basking in the adulation of his racing fans



The jubilant winning connections of Filial Dragon the Gold Vase 2025 winner

In honour of the Club's CSR programme, a Charity Day race meeting was held on 7 September 2025 to celebrate the Club's continuing support of charitable organizations and community welfare organisations in Perak. In addition to staging its annual eponymous feature race, the Charity Cup 2025, the Club presented donation cheques to 30 charitable and community welfare organisations in Perak to help fund their respective activities and noble work. Following the cheque presentation, the cheque recipients were feted to high tea by the Committee at the David Jeyaratnam Lounge.



Charity cheque recipients posing for a group photo with our VIP Guests of Honour and PRTC Committee Members



Jockey KC Wong superbly edging his mount, Arigato, past the winning post to victory in the Charity Cup 2025 in an exhilaratingly close finish



The winning connections of Arigato, which triumphed in the Charity Cup, posing with the VIP Guests of Honour, PRTC Committee Members and other VIP guests

Rounding up the feature race programme of 2025 was the staging of the annual Coronation Cup Race Meeting on 16 November 2025. Besides featuring the running of the blue-ribbon Coronation Cup 2025, the same race meeting also held the second edition of the Singapore Pools Trophy to

mark the continuing symbiotic partnership with Singapore Pools Pte Ltd, the Club's key overseas wagering business partner. In addition, the race meeting also included the running of the JRA Goodwill Trophy 2025.



The owner of Good Star, the winner of the Coronation Cup 2025, receiving the winner's trophy from the LTM Chairman, Mr Thean Meng Fatt



Group photo of the winning connections of Good Star together with PRTC Committee Members and VIP Guests



Mr Tan Choon Shian, CEO Singapore Tote Board & SPPL Board Member, presenting the SPPL Trophy to the Winning Owner of Secret Wonder, the race winner

These feature race meetings also represent social lifestyle events that bring together a gathering of distinguished guests, locally as well as from abroad, to share an afternoon in partaking of good food and drinks, hearty conversations and to savour the rare excitement of live horse racing at close quarters.

VETERINARY SERVICES

The Equine Hospital veterinary team continued to provide primary care veterinary services as well as attended to all official racing duties.

Veterinary student interns from local universities and abroad (Royal Veterinary College, UK and University of Edinburgh) also underwent training stints provided by the Equine Hospital as part of its training contributions to the veterinary and equine industry.

With the support and sponsorship from Lembaga Totalisator Malaysia, the Equine Hospital organized a 3-day Colic Seminar with lectures, hands-on and surgical demonstration delivered by board certified surgeons and internal medicine specialists from Australia. It was very well received and attended by 40 practising veterinarians.



Local and foreign equine vets attending the Colic Seminar 2025 organized by the PRTC Equine Hospital under the sponsorship of Lembaga Totalisator Malaysia



A hands-on practical treatment session conducted during the Colic Seminar 2025

In the year under review, the Equine Hospital performed 20 surgeries which included local and referral cases from other equestrian establishments in Perak. Among the equine patients treated were horses which subsequently headed for competition in the SEA Games 2025.

CONCLUSION

In the period under review, the Club has made improvements in its racing and other business programmes, notwithstanding a dauntingly challenging business environment shaped not least by the closure of horse racing in Penang Turf Club.

In looking to the year ahead, the Committee has not lost sight of the further challenges posed by the horse racing industry. Indeed, no less than full commitment and cooperation from all stakeholders are required to support and implement the Club's plans to achieve the goals to meet the aspirations of the Club and its members.

In closing, I would like to sincerely record my appreciation and convey my 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 Ewe Chuan
Chairman, Perak Turf Club
20 May 2026

KELAB LUMBA KUDA PERAK

PERAK TURF CLUB

MINUTES OF THE ANNUAL GENERAL MEETING HELD ON THURSDAY 19 JUNE, 2025 AT THE OM LOUNGE OF PERAK TURF CLUB AT 6:05PM

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

Absent with apology : Ybhg Tan Sri Dato Seri V Jeyaratnam

Ordinary Members Present:

Dato John Lim Ewe Chuan	030	Dato Dr Ramanathan	156	Mr Dickson Sundram	440
Mdm Claire Chow Choy Fang	479	Mr. Gurdip Singh R Singh	289	Mr Ivan Lau Chee Fei	439
Mr V Williams Balasingam	120	Mr. Thirunavukarasu	509	Mr. Jayagobi Krishnan	044
Mr. Tan Kok Keong	533	Mdm Lim Hoi Lee	049	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	Dato Gan Tack Kong	572	Datin Caroline Wong	555
Mr. Chin Tong Leong	216	Mr. Yeoh Lam Beng	059	Mr Leong Seong Hee	236
Mr Soo Lai Kwok	638	Mr. Leroy Foo Yoke Hoong	020	Mr Lee Kwan Meng	345
Mr. Suresh Kumar Siraman	069	Madam Vicky Ooi Pooi Ni	159	Mr Sarveswaran Rajasegaran	268
Mr. Ng Choo Heng	558	Mr Kenny Chin Kin Yuk	164	Mr Sreethararaj	174
Mr. Yue Shen Chun	326	Mdm Yeoh Chee Pui	059	Mr Tang Peng Yam	663
Mr. Vengetraman Manickam	034	Mr. Ernest Balasingam	254	Mdm Charmalee Sivapragasam	669
Tan Sri Dato Chang Ko Youn	225	Mr Cheah Chee Teong	008	Mdm Shalini Ramanathan	330
Dato Poo Tak Kiau	441	Mr Chin Won Ping	579	Mr Woo Chee Wai	618
Mr. Leong Kwok Seng	562	Mr. Nicky Chan Chee Onn	582	Mr Yeoh Pang Hee	136
Mr Lim Thou Lai	688	Mdm Shirley A Woodworth	190	Mr Lim Meow See	265
Mdm Cheah Pik E	364	Mr Eugene Tan Chek Jin	458	Mr Leong Pau Fong	127
Mr. Ronnie Teo Koh Yong	422	Mr Khaw Hock Seang	027	Mr Hong Sok Thong	344
Mr Choo Choy Meng	454	Mr. Chong Him Shoong	193	Mr Khoo Kenn Nee	112
Mdm Ginla Chew	550	Mr Teoh Teik Kean	150	Mr Hew Chee Wah	173
Mr Fong Yew Fook	148	Mr Edward Foo	598	Mdm Maureen Lim	304
Ms Leong Li Shan	158	Mr Yeoh Lam Huat	435	Mdm Leong Lan Fong	140
Mr Yeow Boo Teik	255	Mr Mohd Danial Kwa	018		

68 Members attended the Annual General Meeting on 19 June 2025

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. Choong Kok Keong	[Crowe PLT]

The meeting was called to order at 6:05 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 introduced Mr. Lim Thou Lai [OM 688], who had been co-opted as a Committee Member in April 2025, to the members present. He briefly touched on Mr. Lim Thou Lai's professional background by mentioning that he was an engineer by training, and currently the CEO of Kawan Renergy Berhad, a public-listed company on Bursa Malaysia. He added that Kawan Renergy Berhad had previously sponsored a feature race of the Club.

After that, he proceeded to the items of business on the agenda.

1. Confirmation of Minutes

a. Annual General Meeting held on 11th June, 2024.

The Chairman tabled the minutes of the Annual General Meeting held on Tuesday, 11 June 2024, 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 formally adopted following a motion proposed by Mr. Ng Choo Heng [OM 558] and which was seconded by Mr. Yeoh Lam Beng [OM 059].

b. Extraordinary General Meeting held on 16th May 2024

The Chairman tabled the minutes of the Extraordinary General Meeting held on Thursday, 16 May 2024, 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 formally adopted following a motion proposed by Mr. Ronnie Teo Koh Yong [OM 422] and which was seconded by Mr. Suresh Kumar Siraman [OM 069].

c. Extraordinary General Meeting held on 12th December 2024

The Chairman tabled the minutes of the Extraordinary General Meeting held on Thursday, 12 December 2024, 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 formally adopted following a motion proposed by Mr. Ernest Balasingam [OM 254] and which was seconded by Mr. Kenny Chin Kin Yuk [OM 164].

2. Matters arising

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 the Club for the year ended 31st December 2024.

The Chairman tabled the Annual Report and Audited Financial Statements for the year ended 31st December, 2024 for consideration by the members.

He then briefed the members on the progress of developments in the Club. He pointed out that a well-known lifestyle cafe, Sin Yoon Loon Café, had opened for business in the Club's grounds. The Club is also progressing with project plans to convert 90 disused stable stalls into commercial retail units which, besides generating an additional income stream, has good potential in promoting tourism and bringing visitors into the Club.

He highlighted the Club's progress in establishing sports facilities – swimming pool, tennis courts, pickleball courts, etc. – for our members to enjoy. Additionally, this will also create an avenue for a new class of non-racing members who pay a monthly subscription to use these sports facilities.

After that, he shared with members the Club's additional plans to install high-end restaurant dining and banqueting facilities on Level 2 at the right wing (far end) of the main building, and to install night lighting in the track grounds to showcase its attraction. Meanwhile, the Club is also looking at some tentative proposals for turning the Tower into a sky bar or lounge. He expressed his hope that by end of the year, most of these interesting developments will come to fruition.

On the racing front, the Chairman remarked that the current state of racing is not great but the Club is trying to make it better. He highlighted that the horse population dropped to 111 horses last year, but has since recouped some ground to about 160 horses this year, with expectations that it could reach 200 by end of the year. He also shared that the Club will take steps to expand horse ownership to make it less polarized, regularly engaging with major stakeholders - trainers, owners and jockeys - to seek betting support for the Club's tote in order to help the Club sustain the viability of its racing business. The tote has since shown some minor improvement and, hopefully, will continue to improve further.

On the Club's financials, he pointed out that while the accounts stated that the Club made a profit, that was due to the net proceeds from the sale of 2 non-strategic pieces of land which brought in around RM89 million, without which the Club would have lost around RM4 million, operationally. For 2025, the Club expects to reduce its operating loss and target for breakeven in 2026, with the Chairman emphasizing that no business can continue indefinitely without aiming at least for an operationally breakeven position.

The Chairman also shared that the 2 pieces of land were sold to crystallize the land value onto the Club's books. He explained that basing on the current number of members on the Club's register, every member has a potentially entitled value of RM150,000 each, even though it cannot be distributed unless the Club is liquidated, which is not the case being contemplated. The Club plans to raise the economic value of all the Club's existing memberships by introducing a class of Transferable Ordinary Membership ("TOM") with an offer of just 10 new TOM priced tentatively at RM50,000 each. Existing Ordinary Members can convert to be TOMs by paying a conversion fee or premium, after which their membership becomes transferable, that is, they can sell their TOMs to interested

buyers or transfer it to their loved ones. This will necessitate a change in the Club's Constitution which, together with details of this TOM plan, shall be tabled at an Extraordinary General Meeting to seek members' approval in the later part of the year, subject to approval from the Registrar of Societies.

The Chairman then opened the floor to questions and enquiries regarding the developments in the Club that he had just mentioned.

Mr. Khaw Hock Seang [OM 027] enquired if the Club would close or limit the membership numbers of the Club. In response to his question, the Chairman affirmed that after the offer of a small limited number of new memberships, tentatively earmarked at 10 memberships or so, the membership of the Club would be closed so as not to dilute the intrinsic value of each membership. He stressed that the Club would set a ceiling for the number of memberships.

Mr. Khaw observed that the RM50,000 membership price tag is an arbitrary figure set by the Club and that the actual market value could be much higher than that. The Chairman concurred with him and illustrated 2 scenarios, depicting one in which the market price could be higher and the other depicting a lower market price.

Mr. Khaw further commented that the Club could also consider allowing the public to use some of the Club's facilities on a daily fee basis as day members. He added that this approach, together with other business efforts to rope in private race sponsorships, could help bring in much needed revenue for the Club, which incurred a bigger operating loss compared to the previous year.

The Chairman explained that the bigger operating loss was due to the Totalisator Board granting a much lower subsidy to the Club for horse racing in 2024 compared to 2023. He pointed out that certain facilities of the Club are exclusive to members but assured that many plans are in place to open the Club's facilities to the public and that these plans should materialize soon when the Club has completed its facilities development programme, targeted at end of the year.

Mr. Ronnie Teo Koh Yong [OM 422] posed the question as to how the Club planned to increase its population of horses when the stakesmoney on its races was so low. In reply, the Chairman explained that it was a vicious circle in that the Club could only offer higher stakesmoney if it did not incur losses. In particular, he stressed that the Club did not receive strong betting support from owners and their connections. He analogized the situation of a restaurant where the customers occupying its tables did not buy food from the restaurant but instead bought food from its competitor, thereby putting the Club in an operationally unviable position.

He added that through many measures taken by the Club to address this situation, horse owners now understand the plight of the Club and have extended cooperation to the Club to boost betting turnover and improve the state of racing.

The Chairman also shared that previously, the racing models of Singapore and Malaysia were markedly different, with Singapore running a higher standard of racing than Malaysia. (Singapore Turf Club has since ceased racing in October 2024). In the present situation in Malaysia, Selangor Turf Club ("SLTC"), with its much bigger horse

population adopts a different racing model whereby horse owners are required to pay a levy for each horse, which SLTC used to increase its stakesmoney, thus attracting better quality horses. However, SLTC has encountered an over-capacity situation with insufficient stables and inevitably, many horses from SLTC would have to be relocated to our Club to continue their racing careers. Nevertheless, this complementary situation from horses coming over from SLTC to our Club works out well to serve the interests of both Malaysian turf clubs.

The Chairman also observed that the profile of owners in SLTC and our Club are quite different, with SLTC horse owners generally willing to spend, and invest in more and better horses. The Club is, however, looking at shared ownership plans where a few persons can pool resources to jointly share in the ownership of a horse. In this way, the Club could obtain more diverse ownerships and an increase in the horse population.

Mr. Ronnie Teo remarked that many of the horses stabled at the Club are old and past their racing prime. In response, the Chairman accepted that the current situation poses many challenges but that the Club has taken many measures to improve the state of its racing.

Mr Ronnie Teo further commented that on its most recent race day on 28 June 2025, the Club staged just 7 races, with one race having a small field of 6 horses.

The Chairman explained that the last 2 race days were an anomaly, a rather unusual situation that stemmed from the Club's imposition of a fee of RM1,000 as a betting commitment from the owner of each horse that took part in our races. The amount was to be used to place bets on the Club's races, as a means to boost the betting turnover on our races. While there was some initial unhappiness and resistance from owners, they have by and large come around to accept the Club's rationale for doing so to improve its overall racing, and they have pledged their support accordingly.

The Chairman pointed out that before this unusual situation arose, the Club had consistently staged an average of 10 races with good fields of up to 12 horses on each race day, for the last 6 months since the beginning of the year. He elaborated that while some quarters had perceived the Club as having been passive, the reality was the Club had actually been actively and regularly engaging with owners, trainers and jockeys in discussions and dialogue to find ways to improve its racing product. He assured members that the Club would continue to implement strategic plans to improve racing for the betterment of all racing stakeholders.

Mr. Leong Siong Hee [OM 236] enquired as to the number of non-racing members that the Club is planning to accept. The Chairman replied that he was unable to provide a number at this time but assured him that the number of non-racing memberships would be kept at a practical and sustainable level. He shared that the Club will outsource the running of the sports facilities to a professional sports management organization, a well-known brand, to ensure a high standard of service and safeguard the Club's image.

Mr. Leong further enquired whether non-racing members get to enjoy access to the equestrian facilities of the Club. In response, the Chairman clarified that equestrian facilities are open to the public who pay fees for riding lessons and other services that they wish to use.

As there were no further questions or queries posed by the members, the Annual Report and Audited Financial Statements for the year ended 31st December, 2024 were accepted after a motion proposed by Mr. Khaw Hock Seang [OM 027] and which was seconded by Mdm. Yeoh Chee Pui [OM 059].

4. To elect four (4) Members to the Committee under Rule 8.6 of the Constitution & Rules of the Club.

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:

Mr. Soo Lai Kwok	[OM 638]
Mr. Venetraman Manickam	[OM 034]
Mr. Leong Kwok Seng	[OM 562]
Mr. Lim Thou Lai	[OM 688]

He informed the meeting that at the close of nominations on 5 June 2025, a total of four (4) nominations only were received by the Secretary's Office; the nominations were 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 Mr. Soo Lai Kwok, Mr. Venetraman Manickam, Mr. Leong Kwok Seng and Mr. Lim Thou Lai were duly re-elected to the Committee.

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

5. To appoint an Auditor.

The Chairman stated that Ernst & Young, who have been the Club's auditors for many years, had closed their Ipoh branch office last year.

In their place, the Committee engaged the services of Crowe PLT, who have an Ipoh branch office, to be the Club's auditors. Crowe PLT had carried out their audit duties satisfactorily.

The Committee therefore recommends that Crowe PLT be re-appointed.

The re-appointment of Crowe PLT as auditors was approved following a motion proposed by Mr. Thirunavukarasu [OM 509] and seconded by Mr. Ng Choo Heng [OM 558].

6. Appointment of three (3) Property Administrators for the Club in accordance to Rule 12.1.1.

The Chairman informed the meeting that, following the demise of a Committee Member, Dato Cheah Choon King last year, the Club would have to re-appoint another 3 Committee Members to be Property Administrators for the Club.

The Committee has proposed the following Committee Members:

- Chin Tong Leong
- Mr. Soo Lai Kwok
- Mr. Vengetraman Manickam

The appointment of the aforesaid three (3) Property Administrators for the Club was approved following a motion proposed by Mr. Ernest Balasingam [OM 254] and which was seconded by Mr. Edward Foo [OM 598].

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.

The Chairman remarked that no notice had been received by the Secretary within the stipulated time period to table any item of business.

However, the Chairman decided to open the floor to members to pose any questions they might have to the Committee.

Mr. Khaw Hock Seang [027] enquired as to how much had been spent out of the net proceeds from the sale of the 2 pieces of land.

In responding to Mr. Khaw, the Chairman said that under the Club's constitution, those proceeds cannot be distributed but the Club will consider ways to increase the value of gift shopping vouchers and other benefits to the members.

Mr. Khaw clarified that his earlier question was posed regarding the financial health of the Club as a going-concern, noting that the Club has been incurring yearly operating losses from racing and that its reserves should not be used to cover these losses. He reiterated his suggestion that the Club should actively seek out private sponsorships from corporate and business organisations to bolster the Club's earnings, and promote the Club as a life-style club.

The Chairman assured him that the Club was very much aware of the operating losses on its racing business, and stressed that appropriate measures are being taken to improve its racing business performance to break even. He added that the Club is of the firm view that a business cannot continue indefinitely unless it is at least able to breakeven.

On corporate sponsorships, the Chairman informed that the Club had successfully obtained sponsorships from corporate names like BYD, Kawan Renergy Berhad and Meru Valley Resort, but shared that it was not an easy task to garner corporate sponsorships.

He also mentioned that the Club had implemented many plans to promote the Club as a life-style club rather than a mere horse wagering club, in particular, pointing to the Club's organizing of a yearly Community Day whereby many people who had never been to the Club's races had a chance to witness live horse racing. Free admission into the public race gallery was also provided on that day.

The Chairman summed up by stating that the Committee has been working tirelessly and will continue to put in efforts and plans to turn things around for the Club and its members.

After enquiring and confirming that there were no further questions or queries from the floor, the Chairman then closed the meeting at 6:45pm and thanked the members for attending the Annual General Meeting.

He then invited them to stay back for dinner and drinks.

Recorded by:

Confirmed by:

Lai Hah Wan
Secretary

Dato' John Lim Ewe Chuan
Chairman

End

KELAB LUMBA KUDA PERAK PERAK TURF CLUB

MINUTES OF THE EXTRAORDINARY GENERAL MEETING HELD ON TUESDAY, 23 DECEMBER 2025 AT 6:05PM IN THE OM LOUNGE OF PERAK TURF CLUB, RACECOURSE, JALAN RAJA DIHILIR 30350 IPOH

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

Absent with apologies : Tan Sri Dato' Seri V Jeyaratnam

Ordinary Members Present:

Dato John Lim Ewe Chuan	030	Mdm Ooi Pooi Ni	159	Mr Chin Won Ping	579
Mr V Williams Balasingam	120	Mr Yue Shen Chun	326	Mdm Diana Kaur	608
Mr Soo Lai Kwok	638	Mr Lim Soo Ching	115	Mr V Nithiananthan	569
Mr Vengetraman Manickam	034	Dato Poo Tak Kiau	441	Mr Yeong Ann Wei	695
Mr Chin Tong Leong	216	Mdm Chan Sau Ying	211	Mdm Ratnamalar Jeyaratnam	021
Mr Lim Thou Lai	688	Mr Edwin Seibel	624	Mr Tan Chek Jin	458
Mr Leong Kwok Seng	526	Mr Ernest Balasingam	254	Mr Jayagobi Krishnan	044
Mdm Cheah Pik E	364	Mr Ahmad Imtaz	666	Mr Soong Kwei Wah	449
Mr Hong Sok Thong	344	Mr Low Chien Huat	285	Mr Teo Koh Yong	422
Mr Yeoh Lam Huat	435	Mr Liew Thin Sang	033	Mr Liew Kar Peng	632
Ms Leong Li Shan	158	Mdm Maureen Lim	304	Dr Chan Wai Ming	532
Mr Sarveswaran Rajasegaran	268	Mdm Au Yeong Thong Hoe	165	Mdm Chew Ginla	550
Mr Gurdip Singh	289	Mr Leong Siong Hee	236	Mr Leong Pau Foong	127
Mr Leroy Foo Yoke Hoong	020	Mr Chin Kin Yuk	164	Mr Chin Kit Kong	262
Mr Suresh Kumar	069	Mdm Gowrie Navaratnam	134	Mr Yeoh Pang Hee	136
Mr Temujin Singh	291	Mr A. Thirunavukarasu	504	Mdm Leong Lan Fong	140
Mr Teoh Teik Kean	150	Mr P Chandrasegaran	633	Mr Foo San Kang	689
Mdm Anne Shamini	288	Mr Teh Choong Sum	360	Mr Woo Chee Wai	618
Mr Chong Him Shoong	193	Mr Edward Foo	598	Mdm Charmalee Sivapragasam	669
Tan Sri Richard Tan Kooi Chew	208	Mr Ng Choo Heng	558	Mr Eow Yoke Teik	566
Mr Mangal Singh	023	Mr Foo San Choong	235		
Mr Yeoh Lam Beng	059	Mr Tan Kok Keong	533		

64 members attended the EGM on Tuesday, 23 December 2025

In attendance:

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

Dato' John Lim Ewe Chuan, who chaired the meeting, called the Extraordinary General Meeting ("EGM") to order at 6:05pm after confirming with the Secretary that the quorum of 50 members had been met.

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:

- Eighteen (18) months ago, members were informed that the Club was working on increasing its horse population and improving its racing product. The Club's racing product had since improved, but not to the extent expected whilst the horse population had been maintained and was expected to go up gradually. Consequently, the betting turnover on our races had also gone up which translated into improved racing income for the Club. He called on horse owners (some of whom were Club members present at the meeting) to work closely with the Club in improving its racing product and instill more market confidence in our races.
- Club members were also previously informed of the Club's plans to open up its facilities to the community as they were generally under-utilized, usually being used only for two (2) days – Saturday and Sunday – in a week. The implementation of these opening-up plans are visibly in progress.
- The Chairman gave a brief slide-show commentary showcasing the Club's sports complex and facilities within the Club – a fully-equipped gymnasium, squash, tennis and pickleball courts, a swimming pool – which will be managed by a professional gym and fitness entity, Urbax Fitness. Club members can use these sports facilities for free.
- The Chairman also apprised the Club members of newly developed facilities at the far wing of the main building which comprised an event hall space (for function and event rentals), a sports bar (targeted at young adult patrons to hang out and watch global sports events), seating facilities to accommodate horse owners & jockeys, and an upper-middle tier dining place. These facilities also offer an impressive view of the lighted-up racecourse at night which would serve as a main selling point to patrons and clients.
- The Sun Yin Loong Café, opened about a year earlier, had also helped to bring in first-time clients to our public gallery for horse racing and wagering. The floor above Sun Yin Loong Café in the bungalow building houses a bar which features weekly live band performances with rock and roll music and dancing.
- The Ipoh Stables Market, comprising functional and commercial retail units which had been newly transformed from old disused stable stalls, was soft-launched on 19 December 2025. It is expected to develop into a major tourist attraction and generate recurring revenues for the Club.
- The Club's tower will be lighted up at night and complemented by solar lighting in the racecourse, creating a magnificent night-time spectacle to behold. All these developments are expected to be in place by the end of the first quarter of 2026.

- The Club had also previously pledged to create and give value for its members and in that regard, this EGM is held to seek approval for that very purpose. Existing Ordinary Members will have the option to convert to Transferable Ordinary Memberships (“TOM”) by paying a transfer fee; thereafter, TOMs can transfer (or sell) their memberships to another person. For new TOMs issued by the Club (not transferred or bought from existing TOMs), the Club has set a benchmark price of RM50,000.
- Some constitutional amendments are also necessary to modernize the constitution, the rules of which were written two decades ago. Future correspondence will no longer be sent by post or courier but instead by email. All these constitutional amendments require a two-thirds majority of votes cast at the EGM and subsequent approval by the Registrar of Societies before implementation.

After that, he requested the Secretary to address the Club 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 1 December 2025 which was sent out to all Club members earlier) which he then read out as follows:

“It is hereby RESOLVED that approval be and is hereby given for the amendments to the Constitution of Kelab Lumba Kuda Perak, which are shown in the Appendix attached.”

The Secretary further referred the meeting to the Explanatory Notes regarding the constitutional amendments listed in the Appendix, both of which had earlier been sent together with the Notice of Meeting to all Club members. He explained that the Explanatory Notes provided the rationale and guidance on the Club’s need to seek the amendments to the Constitution.

According to him, the Secretary’s Office had received 158 valid proxies - given to four (4) proxy receivers - which carried instructions to vote in favour of the Resolution.

After that, the Chairman opened the Q&A session by inviting questions from the floor.

Mr. Teo Koh Yong (OM 422) informed the meeting that he earlier wrote an email to the Club regarding the Club’s proposal to increase members’ subscriptions. He felt that with the Club’s healthy financials, especially noting its substantial cash position, the Club is not justified in planning to increase members’ subscriptions.

The Chairman responded by remarking that the current member’s subscription of RM60 for a 2-year period was set many years ago. He pointed out that other major clubs in Ipoh charged much more in members’ subscriptions and that the Club also plans to give value to Club members by way of spending credits, say, giving RM500 worth of spending credits per member per year to spend in the Club’s dining and entertainment outlets. He added that the Club offers more to its members compared to other clubs. Furthermore, he said that while the Club has substantial funds, it will continue to manage the funds prudently.

The Chairman also said the funds cannot be distributed to its members as it is disallowed under the Societies Act 1966 as well as the Club's constitution, except in the event of dissolution. The Chairman then commented that a subscription of RM10 per month is not too much for members to pay to enjoy the Club's facilities.

Mr. Teo Koh Yong (OM 422) remarked that it didn't matter what other clubs charge for their subscriptions and that our Club's financials are different from theirs. He felt that with at least RM80 million in its cash holding, the Club should not increase its subscription from RM30 per year to RM120 per year, which constituted a 300% increase. He also posed the question: why squeeze money from us?

The Chairman pointed out that the current member's subscription of RM30 annually is way too low that it almost constitutes a free membership, whereas the proposed subscription amounting to not more than RM10 per month is actually very reasonable. He then proceeded to call for a fresh question from the floor.

Mr. Teo Koh Yong (OM 422) protested that his question had not been answered but the Chairman responded by saying that Mr. Teo's question had been duly answered. Mr. Teo continued to complain that, in the Club's Explanatory Notes, it was stated that "at all material times, the Committee places paramount importance to the existing Ordinary Members' rights, privileges and benefits." He felt that the Club's move to increase its member's subscription was an irony to what the Club had mentioned in its Explanatory Notes about placing paramount importance on members' interests, especially noting that the increased subscription would not add much to the Club's financials.

The Chairman responded by pointing out that the Club is placing paramount importance on its members' interest by creating value for its memberships - by making its membership transferable - to benefit its members.

Ms. Charmalee Sivapragasam (OM 669) sought clarification on her reading of the amendments whereby it was stated that an Ordinary Membership cannot be transferred even to a family member after the OM's demise. She felt that this does not help in adding value to the Club's membership.

The Chairman clarified that this clause was put in place to encourage existing OMs to convert to TOMs, otherwise not many OMs would choose to convert to being TOMs. (He shared that personally he would immediately convert from an OM to being a TOM when the constitutional amendments are approved to allow for conversion).

He explained that with the payment of a fee, an OM (while alive) can convert to being a TOM and thereafter be free to transfer his TOM membership to any person he wishes. As a TOM, if he dies, his Club membership as a TOM constitutes an asset that will go into his estate.

Ms Charmalee Sivapragasam (OM 669) expressed that based on her understanding of the constitutional amendments, following a transfer of membership, the new TOM is required to pay an entrance fee of RM50,000. She felt that the entrance fee is a rather prohibitive sum.

The Chairman clarified that there is a difference between a completely new TOM membership and a transferred TOM membership. He added that the Club had set a benchmark of RM50,000 for people who wish to join the Club as TOMs under a new membership scheme. The Club has set a cap of 650 members in the Club's total membership. This was designed to avoid any dilution in membership value; the Club's existing cash position indicates that each OM has a worth on paper of RM150,000 – that is the value of its membership that the Club is creating.

He further explained that the entrance fee of RM50,000 is only payable by a person who becomes a TOM under the Club's new TOM membership scheme, and not via a transfer of existing membership. Where a person who becomes a TOM through an existing membership transfer – either from an existing OM or TOM – he/she is not required to pay any entrance fee but only a transfer fee of RM5,000.

Mr. Leong Siong Hee (OM 236) said that there should be more clarity on the payment of the entrance fee – as to which circumstances require the payment of the entrance fee - to avoid any confusion among members, which is currently the case as the questions by members would seem to indicate.

The Chairman replied that he took Mr. Leong's point and reiterated that the entrance fee only applies to new TOMs and not 'transferred' TOMs.

Dato' Poo Tak Kiau (OM 441) enquired whether the transfer fee of RM5,000 is required in a case of transfer of membership to a family member.

The Chairman affirmed that a transfer fee is required to be paid in such a situation. He explained that previously the Club's new memberships cost almost nothing (akin to being given away for free), hence paying a transfer fee of RM5,000 is a worthy contribution to have a membership in the Club.

Mr. Teo Teik Kean (OM 150) sought clarification about a situation where an OM has paid a fee of RM5,000 to become a TOM, and thereafter the TOM dies after naming his spouse in his will as the beneficiary of the TOM membership. He posed the question of whether the spouse is still required to pay another transfer fee of RM5,000 to become the beneficial TOM.

The Chairman replied that this question raised a good point. He then enquired if the other Committee Members have any views on this question.

Mr. Vengetraman Manickam, a Committee Member, explained that a fee of RM5,000 is required to convert from an OM to a TOM. Thereafter, each subsequent transfer of TOM membership still requires a transfer fee of RM5,000.

The Chairman interjected to express that he understood the concern behind the question raised by Mr. Teo Teik Kean. He suggested that the Club would consider imposing a first transfer fee of RM5,000 and if the subsequent transfer is to a named spouse or named child, then there should be no transfer fee payable.

Mr. Teo Teik Kean (OM 150) enquired whether it would be proper to put the TOM membership as an asset in the TOM's will.

Dato' Poo Tak Kiau (OM 441) also asked if the TOM membership is lawfully treated as an asset if included in the will of the TOM after his demise.

The Chairman commented that if the TOM membership is included in the will of the TOM, then the law would recognize it as an asset that can be willed to a beneficiary.

Mr. Vengetraman Manickam suggested that at this EGM, members who are supportive of the constitutional amendments should vote to pass this Resolution which would thereafter be sent to the Registrar of Societies ("ROS") for approval. Once ROS approval is obtained, then memberships can be allowed to be made transferable as TOM after payment of a transfer fee. As for any other justifiable changes that may be required later, he further suggested that they can be taken up at a subsequent general meeting.

Mr. Leong Siong Hee (OM 236) sought clarification whether the TOM membership as an asset can be transferred via the TOM's estate and if there are any legal issues involved.

Mr. Vengetraman Manickam clarified that if the TOM membership asset is properly willed, then it becomes part of the deceased TOM's estate and the law on distribution will take its course. The Chairman also likened the situation to that of a person owning assets like shares, which can also be included in the residual assets of a deceased's estate.

Dato' Poo Tak Kiau (OM 441) suggested that the Club issue a statement to cover the conditions of membership transfer and provide answers/clarifications to the points raised regarding TOM membership transfers.

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

The Secretary then informed the meeting that all members who were present at the EGM were eligible to vote in person provided they had not given their proxies to anyone. Hence, any proxy-giving member will not be eligible to vote at the EGM unless he/she now decides to withdraw his/her proxy. The Secretary then asked if there were any proxy-giving members who wished to withdraw their proxies and if so, to proceed to the Scrutineer's Desk to do their proxy withdrawals. The Scrutineers subsequently reported that there was no withdrawal of proxies by any member. As for the proxy receivers, the Secretary announced that they were eligible to vote in their personal capacities as well as on behalf of their respective proxy givers.

After explaining the voting procedure to the meeting, the Secretary then announced the list of proxy receivers with the number of proxies received, respectively, as shown in the table below:

Record of Proxies Received

	Name of proxy receiver	No. of valid proxies received
1	Dato' John Lim Ewe Chuan	83
2	V. Williams Balasingam	32
3	Soo Lai Kwok	41
4	Vengetraman Manickam	2
Total Proxies		158

The Secretary then commenced the process of voting on the Resolution which was conducted by secret ballot. After the casting of votes by members had been concluded, the counting of the votes was conducted by the Scrutineers.

While the votes were being counted, the Chairman held a Members Forum during which there were exchanges of views and feedback between the Committee and the OMs in discussion on the affairs of the Club.

The Secretary also informed the meeting that altogether sixty-four (64) members attended the EGM. He added that the Scrutineers had confirmed that the counting of votes had been completed and that they had certified the Votes Tally Report.

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

No. of Votes cast: FOR	184
No. of Votes cast: AGAINST	0
No. of Spoiled Votes	0
Total No. of Votes cast	184
Two thirds (2/3) majority of votes required to pass the Resolution	123

The Secretary then announced that, based on the voting results which were certified by the Scrutineers, the EGM Resolution was approved with more than a two-thirds majority of the votes cast with overwhelming support from members. The announcement was greeted with a round of applause from the members.

The Chairman then ended the EGM at 6:54pm 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

End

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 2025 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 33 to 73.

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 2025, 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.

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 auditors' 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

15 May 2026

Choong Kok Keong
03461/11/2027 J
Chartered Accountant

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	The Group		The Club	
		2025 RM	2024 RM	2025 RM	2024 RM
ASSETS					
NON-CURRENT ASSETS					
Investment in a subsidiary	5	-	-	2	2
Investment in an associate	6	1	1	1	1
Property, plant and equipment	7	37,815,520	31,740,198	37,815,520	31,740,198
Investment properties	8	6,994,606	4,759,144	6,994,606	4,759,144
		<u>44,810,127</u>	<u>36,499,343</u>	<u>44,810,129</u>	<u>36,499,345</u>
CURRENT ASSETS					
Inventories	9	368,804	379,469	368,804	379,469
Receivables, deposits and prepayments	10	5,810,892	88,266,303	5,811,958	88,268,303
Current tax assets		203,017	263,327	-	-
Amount owing by an associate	11	-	49,540	-	49,540
Short-term investments	12	16,798	31,091	16,798	31,091
Fixed deposits with licensed banks	13	102,089,216	28,881,502	102,009,216	28,881,502
Cash and bank balances		1,238,427	830,695	1,163,920	719,719
		<u>109,727,154</u>	<u>118,701,927</u>	<u>109,370,696</u>	<u>118,329,624</u>
TOTAL ASSETS		<u>154,537,281</u>	<u>155,201,270</u>	<u>154,180,825</u>	<u>154,828,969</u>

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

STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONT'D)

	Note	The Group		The Club	
		2025 RM	2024 RM	2025 RM	2024 RM
CAPITAL FUND AND LIABILITIES					
FINANCED BY					
Capital fund	14	50,250,875	46,504,475	50,250,875	46,504,475
General reserve	15	3,517,393	3,517,393	3,517,393	3,517,393
Retained earnings		96,048,217	100,244,599	94,857,751	99,031,406
TOTAL CAPITAL FUND		149,816,485	150,266,467	148,626,019	149,053,274
NON-CURRENT LIABILITIES					
Deferred tax liabilities	16	-	317,597	-	317,597
Provision for retirement benefits	17	458,264	620,370	458,264	620,370
		458,264	937,967	458,264	937,967
CURRENT LIABILITIES					
Payables, deposits and accruals	18	4,070,657	3,879,083	4,904,667	4,719,975
Provision for retirement benefits	17	191,875	117,753	191,875	117,753
		4,262,532	3,996,836	5,096,542	4,837,728
TOTAL LIABILITIES		4,720,796	4,934,803	5,554,806	5,775,695
TOTAL CAPITAL FUND AND LIABILITIES		154,537,281	155,201,270	154,180,825	154,828,969

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

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

	Note	The Group		The Club	
		2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
REVENUE					
Racing revenue	19	13,862,756	14,040,709	13,862,756	14,040,709
Member's subscription and joining fees		28,645	53,603	28,645	53,603
Investment and other income	20	5,913,603	98,220,275	5,912,668	98,856,368
Royalties received on transfer of sweepstakes operations		271,914	378,974	271,914	378,974
		<u>20,076,918</u>	<u>112,693,561</u>	<u>20,075,983</u>	<u>113,329,654</u>
EXPENDITURE					
Racing	21	12,987,056	11,926,639	12,987,056	11,926,639
Grounds, buildings and equipment	22	6,726,818	6,217,611	6,726,818	6,217,611
Administration and finance	23	3,434,597	3,565,993	3,427,218	3,559,994
Security	24	771,665	699,664	771,665	699,664
Veterinary	25	1,231,629	973,271	1,231,629	973,271
		<u>25,151,765</u>	<u>23,383,178</u>	<u>25,144,386</u>	<u>23,377,179</u>
(Deficit)/Surplus Of Income Over Expenditure		(5,074,847)	89,310,383	(5,068,403)	89,952,475
Deficit of income over expenditure from Equine Hospital	26	(175,633)	(112,775)	(175,633)	(112,775)
(Deficit)/Surplus before transfer from capital fund		(5,250,480)	89,197,608	(5,244,036)	89,839,700
Transfer from capital fund		848,191	392,901	848,191	392,901
(Deficit)/Surplus for the year before taxation		(4,402,289)	89,590,509	(4,395,845)	90,232,601
Income tax benefits/(expenses)	27	301,314	(7,003,729)	317,597	(7,071,660)
Net (deficit)/surplus for the year		<u>(4,100,975)</u>	<u>82,586,780</u>	<u>(4,078,248)</u>	<u>83,160,941</u>

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

**STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Note	The Group		The Club	
		2025 RM	2024 RM	2025 RM	2024 RM
Other comprehensive (expenses)/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	17	(95,407)	(32,292)	(95,407)	(32,292)
Total comprehensive (expenses)/income for the year		(4,196,382)	82,554,488	(4,173,655)	83,128,649
Employee information:					
Staff costs					
Salaries, wages, bonus, overtime, allowances, annual leave pay and other related expenses		5,387,631	4,958,717	5,387,631	4,958,717
Employees Provident Fund and SOCSO		639,090	614,267	639,090	614,267
		6,026,721	5,572,984	6,026,721	5,572,984

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

STATEMENTS OF CHANGES IN CAPITAL FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Capital Fund RM	<----- Non-distributable ----->		Total RM
		General Reserve RM	Retained Earnings RM	
The Group				
Balance at 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/ 1 January 2025	46,504,475	3,517,393	100,244,599	150,266,467
Addition during the year	4,594,591	-	-	4,594,591
Transfer to statement of comprehensive income	(848,191)	-	-	(848,191)
Net deficit for the year	-	-	(4,100,975)	(4,100,975)
Other comprehensive expenses	-	-	(95,407)	(95,407)
Total comprehensive expenses for the year	-	-	(4,196,382)	(4,196,382)
Balance at 31 December 2025	50,250,875	3,517,393	96,048,217	149,816,485

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

STATEMENTS OF CHANGES IN CAPITAL FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Capital Fund RM	<---- Non-distributable ----> General Reserve RM	Retained Earnings RM	Total RM
The Club				
Balance at 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/ 1 January 2025	46,504,475	3,517,393	99,031,406	149,053,274
Addition during the year	4,594,591	-	-	4,594,591
Transfer to statement of comprehensive income	(848,191)	-	-	(848,191)
Net deficit for the year	-	-	(4,078,248)	(4,078,248)
Other comprehensive expenses	-	-	(95,407)	(95,407)
Total comprehensive income for the year	-	-	(4,173,655)	(4,173,655)
Balance at 31 December 2025	50,250,875	3,517,393	94,857,751	148,626,019

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

STATEMENTS OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	The Group		The Club	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES (Deficit)/Surplus for the year before taxation		(4,402,289)	89,590,509	(4,395,845)	90,232,601
Adjustments for:-					
Bad debt written off		-	804	-	804
Depreciation of investment properties		80,171	80,172	80,171	80,172
Depreciation of property, plant and equipment		1,978,734	1,747,443	1,978,734	1,747,443
Deposits written off		-	6,503	-	6,503
Gain on disposal of property, plant and equipment		-	(94,591,971)	-	(94,591,971)
Property, plant and equipment written off		-	135,213	-	135,213
Interest income		(4,421,146)	(1,431,743)	(4,420,248)	(1,431,743)
Inventories written off		-	135,370	-	135,370
Provision for retirement benefits		45,628	54,724	45,628	54,724
Reversal of impairment of amount owing by a subsidiary company		-	-	-	(642,850)
Transfer from capital fund		(848,191)	(392,901)	(848,191)	(392,901)
Deficit before working capital changes		(7,567,093)	(4,665,877)	(7,559,751)	(4,666,635)
Decrease/(Increase) in inventories		10,665	(52,842)	10,665	(52,842)
Decrease/(Increase) in receivables		82,455,411	(86,833,287)	82,456,345	(86,278,168)
(Increase)/Decrease in payables		191,574	(149,471)	184,692	(929,673)
Decrease/(Increase) in amount owing by an associate		49,540	(32,080)	49,540	(32,080)
CASH FROM/(FOR) OPERATIONS		75,140,097	(91,733,557)	75,141,491	(91,959,398)
Income tax refund/(paid)		44,027	(8,455,577)	-	(8,236,277)
Retirement benefits paid		(229,019)	(66,797)	(229,019)	(66,797)
Interest received		4,421,146	1,431,743	4,420,248	1,431,743
NET CASH FROM/(FOR) OPERATING ACTIVITIES		79,376,251	(98,824,188)	79,332,720	(98,830,729)

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

**STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)**

	Note	The Group		The Club	
		2025 RM	2024 RM	2025 RM	2024 RM
CASH FLOWS (FOR)/FROM INVESTING ACTIVITIES					
Receipt of capital grant		4,594,591	1,231,251	4,594,591	1,231,251
Purchase of property, plant and equipment	28(a)	(8,054,056)	(7,823,410)	(8,054,056)	(7,823,410)
Purchase of investment property	28(a)	(2,315,633)	-	(2,315,633)	-
Proceeds from disposal of property, plant and equipment		-	94,608,884	-	94,608,884
Additions to fixed deposits with tenure more than 3 months		(73,348,139)	-	(73,268,139)	-
Withdrawal of fixed deposits with tenure more than 3 months		-	6,846,565	-	6,846,565
Withdrawal of fixed deposits pledged		140,425	18,600	140,425	18,600
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(78,982,812)	94,881,890	(78,902,812)	94,881,890
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS					
		393,439	(3,942,298)	429,908	(3,948,839)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR					
		861,786	4,804,084	750,810	4,699,649
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR					
	28(b)	1,255,225	861,786	1,180,718	750,810

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

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

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 15 May 2026.

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 2025

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 7 and Note 8 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 7 to the financial statements.

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

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 9 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 10 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 RM203,017 (2024 – RM263,327).

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

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.

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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 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.

4.4 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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 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.

4.5 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.

4.6 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.

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.

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

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.7 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%
Livestock	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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 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%

Capital work-in-progress included in investment properties 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 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.

4.9 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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.9 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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.10 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.

4.11 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.

4.12 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.

4.13 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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.14 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

4.15 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 2025

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.15 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 royalties received on telecast of races, revenue 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.

4.16 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 2025

5. INVESTMENT IN A SUBSIDIARY

	The Club	
	2025 RM	2024 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
		2025	2024	
<i>Subsidiary of the Club</i>				
Ipoh Stables Market Sdn. Bhd.	Malaysia	100%	100%	Property development

6. INVESTMENT IN AN ASSOCIATE

	The Group and The Club	
	2025 RM	2024 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
		2025	2024	
EQ Sport Sdn. Bhd.	Malaysia	33.33%	33.33%	Providing live telecast and satellite services for horse racing, totalisator operations, telebetting facilities and others

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

7. PROPERTY, PLANT AND EQUIPMENT

	At 1.1.2025 RM	Additions RM	Depreciation Charges RM	Transfer RM	At 31.12.2025 RM
The Group and The Club					
2025					
<i>Carrying Amount</i>					
Freehold land	924,284	-	-	-	924,284
Buildings	23,165,205	73,300	(887,003)	1,913,706	24,265,208
Fixture, furniture, fittings and equipment	68,620	133,260	(205,407)	788,025	784,498
Vehicles	887,717	32,000	(228,313)	-	691,404
Computer equipment	4,793,478	173,958	(616,645)	199,009	4,549,800
Race track	11,899	-	(11,857)	-	42
Car parks, drains and fencing walls	121,262	-	(20,903)	-	100,359
Livestock	18,148	-	(8,606)	-	9,542
Capital work-in-progress	1,749,585	7,641,538	-	(2,900,740)	6,490,383
	31,740,198	8,054,056	(1,978,734)	-	37,815,520

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

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

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Group and The Club			
31.12.2025			
Freehold land	924,284	-	924,284
Buildings	50,241,044	(25,975,836)	24,265,208
Fixture, furniture, fittings and equipment	15,500,774	(14,716,276)	784,498
Vehicles	3,602,487	(2,911,083)	691,404
Computer equipment	18,888,239	(14,338,439)	4,549,800
Race track	6,149,655	(6,149,613)	42
Car parks, drains and fencing walls	4,800,708	(4,700,349)	100,359
Livestock	86,078	(76,536)	9,542
Capital work-in-progress	6,490,383	-	6,490,383
	106,683,652	(68,868,132)	37,815,520
1.1.2025			
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
Livestock	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

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

8. INVESTMENT PROPERTIES

	At 1.1.2025 RM	Additions RM	Depreciation Charges RM	At 31.12.2025 RM
The Group and The Club				
2025				
<i>Carrying Amount</i>				
Long term leasehold land	1,131,236	-	(1,304)	1,129,932
Building	3,627,908	-	(78,867)	3,549,041
Capital work-in-progress	-	2,315,633	-	2,315,633
	4,759,144	2,315,633	(80,171)	6,994,606

	At Cost RM	Accumulated Depreciation RM	Carrying Amount RM
The Group and The Club			
31.12.2025			
Long term leasehold land	1,161,110	(31,178)	1,129,932
Building	3,943,377	(394,336)	3,549,041
Work in progress	2,315,633	-	2,315,633
	7,420,120	(425,514)	6,994,606
1.1.2025			
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

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 2025

9. INVENTORIES

	The Group and The Club	
	2025	2024
	RM	RM
At cost		
Trophies	66,395	32,015
Drugs (Veterinary Department)	23,648	66,738
Drugs (Equine Hospital)	278,761	280,716
	<u>368,804</u>	<u>379,469</u>
Inventories recognised as an expense	241,980	202,916
Inventories written off	-	135,370
	<u>-</u>	<u>135,370</u>

10. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	The Group		The Club	
	2025	2024	2025	2024
	RM	RM	RM	RM
Trade receivables	1,068,374	921,169	1,068,374	921,169
Other receivables	3,920,392	87,034,443	3,921,958	87,036,943
Prepayments	519,862	110,811	519,862	110,811
Deposits	302,264	199,880	301,764	199,380
	<u>5,810,892</u>	<u>88,266,303</u>	<u>5,811,958</u>	<u>88,268,303</u>

The Group normal credit period granted for trade receivables to the Group and the Club is 30 (2024 – 30) days.

Included in other receivables of the Group and of the Club is an amount owing from the disposal of a freehold land amounting to Nil (2024 – RM86,104,711).

11. AMOUNT OWING BY AN ASSOCIATE

	The Group and The Club	
	2025	2024
	RM	RM
<u>Current</u>		
Non-trade balance	-	49,540
	<u>-</u>	<u>49,540</u>

The amount owing by an associate in the previous financial year was unsecured, non-interest bearing and repayable on demand. The amount owing was settled in cash.

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

12. SHORT-TERM INVESTMENTS

	The Group and The Club	
	2025	2024
	RM	RM
Money market funds, at fair value	16,798	31,091

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	
	2025	2024
	%	%
Short-term investments	3.20	2.91

13. FIXED DEPOSITS WITH LICENSED BANKS

	The Group and The Club	
	2025	2024
	RM	RM
Fixed deposits with licensed banks with maturity period of more than three months	102,009,216	28,881,502

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 2.45% to 4.20% (2024 – 2.25% to 4.00%) per annum. The fixed deposits have maturity periods ranging from 330 to 360 (2024 – 330 to 360) days for the Group and the Club.

Fixed deposits amounting to Nil (2024 – RM140,425) is pledged to a bank as security for a bank guarantee facility with a limit of Nil (2024 – 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 2025**

14. CAPITAL FUND

	Capital/ Operation Grants RM	Outright Grants RM	Total RM
The Group and The Club			
As at 1 January 2024	25,060,125	20,606,000	45,666,125
Addition during the year	1,231,251	-	1,231,251
Transfer to statement of comprehensive income	(392,901)	-	(392,901)
As at 31 December 2024/1 January 2025	25,898,475	20,606,000	46,504,475
Addition during the year	4,594,591	-	4,594,591
Transfer to statement of comprehensive income	(848,191)	-	(848,191)
As at 31 December 2025	29,644,875	20,606,000	50,250,875

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.

15. GENERAL RESERVE

The reserve comprises amounts transferred from the Building Fund.

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

16. DEFERRED TAX LIABILITIES

	At 1.1.2025 RM	Recognised in Profit or Loss (Note 27) RM	At 31.12.2025 RM
The Group			
2025			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	2,678,067	(2,678,067)	-
<i>Deferred Tax Assets</i>			
Provision for retirement benefits	(204,662)	204,662	-
Unabsorbed business losses	(1,525,515)	1,525,515	-
Unabsorbed capital allowances	(630,293)	630,293	-
	(2,360,470)	2,360,470	-
	317,597	(317,597)	-

	At 1.1.2024 RM	Recognised in Profit or Loss (Note 27) 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

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

16. DEFERRED TAX LIABILITIES (CONT'D)

	At 1.1.2025 RM	Recognised in Profit or Loss (Note 27) RM	At 31.12.2025 RM
The Club			
2025			
<i>Deferred Tax Liabilities</i>			
Property, plant and equipment	2,678,067	(2,678,067)	-
<i>Deferred Tax Assets</i>			
Provision for retirement benefits	(204,662)	204,662	-
Unabsorbed business losses	(1,525,515)	1,525,515	-
Unabsorbed capital allowances	(630,293)	630,293	-
	(2,360,470)	2,360,470	-
	317,597	(317,597)	-
	At 1.1.2024 RM	Recognised in Profit or Loss (Note 27) 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

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

17. PROVISION FOR RETIREMENT BENEFITS

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

	The Group and The Club	
	2025	2024
	RM	RM
Present value of unfunded defined benefit obligations, representing net liability	650,139	738,123
Analysed as:		
Current liabilities	191,875	117,753
Non-current liabilities	458,264	620,370
	<u>650,139</u>	<u>738,123</u>

The amounts recognised in profit or loss are as follows:

	The Group and The Club	
	2025	2024
	RM	RM
Current service cost	24,491	26,636
Interest cost	21,137	28,088
Total charged out to profit or loss	<u>45,628</u>	<u>54,724</u>

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

	The Group and The Club	
	2025	2024
	RM	RM
As at 1 January	738,123	717,904
Provision during the year	45,628	54,724
Benefits paid	(229,019)	(66,797)
Actuarial loss on retirement benefits	95,407	32,292
As at 31 December	<u>650,139</u>	<u>738,123</u>

Principal actuarial assumption used:

	The Group and The Club	
	2025	2024
	%	%
Discount rate	<u>3.39</u>	<u>4.1</u>

The average duration of the defined benefit plan obligation at the reporting date is 10 (2024 – 10) years.

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

18. PAYABLES, DEPOSITS AND ACCRUALS

	The Group		The Club	
	2025 RM	2024 RM	2025 RM	2024 RM
Trade payables	2,121,765	1,912,952	2,121,765	1,912,952
Other payables	771,472	1,105,526	770,230	1,105,526
Accruals	410,658	336,102	407,058	333,002
Deposits	663,933	446,495	663,933	446,495
Service Tax payable	102,829	78,008	102,829	78,008
Amount owing to a subsidiary company	-	-	838,852	843,992
	<u>4,070,657</u>	<u>3,879,083</u>	<u>4,904,667</u>	<u>4,719,975</u>

The normal trade credit term granted to the Group and the Club is 30 (2024 – 30) days.

The amount owing to a 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.

19. RACING REVENUE

	The Group and The Club	
	2025 RM	2024 RM (Restated)
Agency commission from number forecasting	12,078	13,939
Horse entry fees	691,070	266,090
Gate collections	327,753	372,936
Race sponsorship	175,296	95,233
Royalties on telecast of races	4,149,631	2,792,223
Totalisator proceeds, net Notes (a) and (b)	4,766,128	5,442,308
Subsidy from Totalisator Board Malaysia	3,740,800	5,057,980
	<u>13,862,756</u>	<u>14,040,709</u>

Note: Included in Totalisator proceeds, net are:

	The Group and The Club	
	2025 RM	2024 RM
(a) Gross totalisator revenue	<u>38,718,259</u>	<u>49,955,900</u>
(b) Government gaming tax and duties deducted from totalisator revenue	<u>4,522,293</u>	<u>5,834,849</u>

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

20. INVESTMENT AND OTHER INCOME

	The Group		The Club	
	2025 RM	2024 RM (Restated)	2025 RM	2024 RM (Restated)
Interest income	4,421,067	1,431,629	4,420,135	1,431,629
Gain on disposal of property, plant and equipment	-	94,591,971	-	94,591,971
Rental income	1,217,369	1,291,132	1,217,369	1,291,132
Other income	275,167	905,543	275,164	1,541,636
	<u>5,913,603</u>	<u>98,220,275</u>	<u>5,912,668</u>	<u>98,856,368</u>

21. RACING EXPENDITURE

	The Group and The Club	
	2025 RM	2024 RM
Asian Racing Conference	19,084	116,916
Freight on horses	461,043	668,239
Race meeting expenses	5,113,529	4,213,781
Royalties paid for overseas telecasts	716,176	1,139,593
Satellite telecast fee	117,100	95,400
Share of M.R.A expenses	486,716	603,408
Stakes, HRS and trophies	6,073,408	5,089,302
	<u>12,987,056</u>	<u>11,926,639</u>

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

22. GROUNDS, BUILDINGS AND EQUIPMENT

	The Group and The Club	
	2025	2024
	RM	RM
Upkeep and maintenance:		
Buildings	2,335,124	2,313,430
Broadcasting	243,968	212,669
Course	1,436,454	1,212,098
Stables	579,188	572,746
Vehicles	133,343	139,215
	<hr/>	<hr/>
	4,728,077	4,450,158
Depreciation	1,998,744	1,767,453
	<hr/>	<hr/>
	6,726,818	6,217,611

23. ADMINISTRATION AND FINANCE

	The Group		The Club	
	2025	2024	2025	2024
	RM	RM	RM	RM
Audit fees	52,500	57,500	50,000	55,000
Bank charges	8,318	5,206	8,272	5,161
Donation	138,500	101,000	138,500	101,000
General expenses	1,555,967	1,884,609	1,552,734	1,881,855
Legal and professional fees	178,800	154,277	178,800	154,277
Staff remuneration and benefits	1,487,912	1,351,701	1,487,912	1,351,701
Taxation fees	12,600	11,700	11,000	11,000
	<hr/>	<hr/>	<hr/>	<hr/>
	3,434,597	3,565,993	3,427,218	3,559,994

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

24. SECURITY

	The Group and The Club	
	2025	2024
	RM	RM
Hired security forces	4,591	4,157
License fees	1,120	1,080
Repair and maintenance	2,131	2,977
Staff remuneration and benefits	763,823	691,450
	<u>771,665</u>	<u>699,664</u>

25. VETERINARY

	The Group and The Club	
	2025	2024
	RM	RM
Drugs and medicine	43,090	26,286
Starter hack horses expenses	161,167	152,626
Gasses	-	278
Repair and maintenance	8,384	312
Staff remuneration and benefits	310,570	317,379
Usains – laboratory expenses	708,418	476,390
	<u>1,231,629</u>	<u>973,271</u>

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

26. DEFICIT OF INCOME OVER EXPENDITURE FROM EQUINE HOSPITAL

	The Group and The Club	
	2025	2024
	RM	RM
Revenue		
Surgery	102,434	85,605
Treatment	361,647	371,582
Horse travel permit	-	104
Accommodation charges	2,560	1,619
	<u>466,641</u>	<u>458,910</u>
Discount	(6,873)	(8,026)
	<u>459,768</u>	<u>450,884</u>
Less: Cost of drugs sold		
Opening inventories	280,716	231,508
Purchases	240,025	252,124
	<u>520,741</u>	<u>483,632</u>
Closing inventories	(278,761)	(280,716)
	<u>241,980</u>	<u>202,916</u>
Expenditure		
Consumables	8,272	9,015
Depreciation	60,161	60,161
Disposing of horse carcass	10,300	14,200
Interest income	(79)	(114)
Laboratory	4,773	2,636
Library books	3,161	2,685
Refreshment	109	174
Repair and maintenance	80,396	35,145
Sawdust	1,170	1,116
Staff salaries, EPF and SOSCO	194,545	208,925
Stationery & printing	4,640	210
Utilities	25,973	26,590
	<u>393,421</u>	<u>360,743</u>
Net deficit of income over expenditure	<u>(175,633)</u>	<u>(112,775)</u>

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

27. INCOME TAX (BENEFITS)/EXPENSES

	The Group		The Club	
	2025 RM	2024 RM	2025 RM	2024 RM
Current tax expense:				
- for the financial year	9,000	-	-	-
- under/(over) provision in the previous financial year	7,283	(67,931)	-	-
	16,283	(67,931)	-	-
Real Property Gain Tax	-	8,236,277	-	8,236,277
	16,283	8,168,346	-	8,236,277
Deferred tax (Note 16):				
- relating to origination and reversal of temporary differences	(242,370)	(898,202)	(242,370)	(898,202)
- overprovision in the previous financial year	(75,227)	(266,415)	(75,227)	(266,415)
	(317,597)	(1,164,617)	(317,597)	(1,164,617)
Total income tax (benefit)/expenses	(301,314)	7,003,729	(317,596)	7,071,660

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

27. INCOME TAX (BENEFITS)/EXPENSES (CONT'D)

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

	The Group		The Club	
	2025 RM	2024 RM	2025 RM	2024 RM
(Deficit)/Surplus before transfer from capital fund	(5,250,480)	89,197,608	(5,244,036)	89,839,700
Taxation at Malaysia statutory graduated scale of tax rate	(1,522,639)	25,867,306	(1,520,770)	26,053,513
Tax effects of:				
Non-deductible expenses	562,101	669,126	551,232	482,117
Non-taxable income	-	(27,435,413)	-	(27,433,832)
Deferred tax assets not recognised during the financial year	727,168	779	727,168	-
Under/(Over) provision of current tax in the previous financial year	7,283	(67,931)	-	-
Overprovision of deferred taxation in the previous financial year	(75,227)	(266,415)	(75,227)	(266,415)
Real Property Gain Tax	-	8,236,277	-	8,236,277
	<u>(301,314)</u>	<u>7,003,729</u>	<u>(317,597)</u>	<u>7,071,660</u>

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

27. INCOME TAX (BENEFITS)/EXPENSES (CONT'D)

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	
	2025 RM	2024 RM	2025 RM	2024 RM
Unused tax losses:				
- expires 31 December 2034	420,898	103	420,898	103
- expires 31 December 2035	2,086,680	-	2,086,680	-
	<u>2,507,578</u>	<u>103</u>	<u>2,507,578</u>	<u>103</u>

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.

28. 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	
	2025 RM	2024 RM
Property, Plant and Equipment		
Cost of property, plant and equipment purchased (Note 7)	<u>8,054,056</u>	<u>7,823,410</u>
Investment Properties		
Cost of investment properties purchased	<u>2,315,633</u>	<u>-</u>

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

28. CASH FLOW INFORMATION (CONT'D)

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

	The Group		The Club	
	2025 RM	2024 RM	2025 RM	2024 RM
Fixed deposits with licensed banks	102,089,216	28,881,502	102,009,216	28,881,502
Cash and bank balances	1,238,427	830,695	1,163,920	719,719
Short-term investments	16,798	31,091	16,798	31,091
	<u>103,344,441</u>	<u>29,743,288</u>	<u>103,189,934</u>	<u>29,632,312</u>
Less: Fixed deposits pledged to licensed banks (Note 13)	-	(140,425)	-	(140,425)
Fixed deposits with tenure more than 3 months	(102,089,216)	(28,741,077)	(102,009,216)	(28,741,077)
	<u>1,255,225</u>	<u>861,786</u>	<u>1,180,718</u>	<u>750,810</u>

29. RELATED PARTY DISCLOSURES

The Group and the Club carried out the following significant transactions with an associate during the financial year:-

	The Group and The Club	
	2025 RM	2024 RM
Associate:		
Royalties paid	(201,882)	(649,316)
Management fees paid	(913,714)	(1,511,987)
Commingling fees paid	(41,236)	(18,965)
Payment on behalf for an associate	(843,835)	-
Rental income	40,000	96,000
Expenses reimbursement	1,250	3,000
	<u>1,250</u>	<u>3,000</u>

The significant outstanding balances of the related parties together with their terms and conditions are disclosed in Note 11 and 18 to the financial statements respectively.

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

30. CAPITAL COMMITMENTS

	The Group and The Club	
	2025	2024
	RM	RM
Approved and contracted:		
Property, plant and equipment	1,063,112	4,879,946
Investment properties	241,607	-
	1,304,179	4,879,946
Approved but not contracted for property, plant and equipment	1,557,343	11,745,360

31. FINANCIAL INSTRUMENTS

31.1 CATEGORIES OF FINANCIAL INSTRUMENTS

	The Group		The Club	
	2025	2024	2025	2024
	RM	RM	RM	RM
Financial Assets				
<u>Fair Value Through Profit or Loss</u>				
Short-term investments (Note 12)	16,798	31,091	16,798	31,091
<u>Amortised Cost</u>				
Receivables and deposits	5,291,030	88,155,492	5,292,096	88,157,492
Amount owing by an associate	-	49,540	-	49,540
Fixed deposits with licensed banks	102,089,216	28,881,502	102,009,216	28,881,502
Cash and bank balances	1,238,427	830,695	1,163,920	719,719
	108,618,673	117,917,229	108,465,232	117,808,253
Financial Liabilities				
<u>Amortised Cost</u>				
Payables, deposits and accruals	3,967,828	3,801,075	4,801,838	4,641,967



More Than Racing